

TARGET OPPORTUNITIES FOR SHERIDAN COUNTY, WY

Prepared for:

Forward Sheridan

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Prepared by:

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BACKGROUND

This Target Opportunities report is the product of a contract between the Wadley-Donovan Group (WDG) and Forward Sheridan. The report provides an assessment of Sheridan County, Wyoming that identifies the county's strengths and weaknesses as a business location, and from that assessment, pinpoints six preliminary target industries for consideration by Forward Sheridan.

The report is designed primarily for use by Forward Sheridan to proactively attract appropriate industries or activities to Sheridan County. The assessment also will be used by the area's workforce assistance and training providers, such as the Wyoming Department of Workforce Services and Sheridan College, to organize training programs that enhance workforce skills to meet the needs of all Sheridan County employers.

WDG is the nation's oldest independent management consulting firm that specializes in location and economic development consulting. Its corporate clients include many of the world's leading companies. WDG's economic development practice provides expertise to workforce and economic development agencies and utilities in sales and marketing, strategic planning, database development, overall product development, and assessment. Clients have included the Wyoming Department of Workforce Services, the Wyoming Business Council, Eastern Idaho; Albuquerque, NM; Boise, ID; El Paso, TX; Abilene, TX; Great Falls, MT; Huntsville, AL; Phoenix, AZ; Tulsa, OK; Conway, AR; Cookeville, TN; Jackson, TN; Tunica County, MS; Panola County, MS; Asheville, NC; Tampa, FL; Tallahassee, FL; Rochester, NY; Buffalo, NY; and the states of Delaware, Iowa, Kansas, Kentucky, New Jersey, Oregon, Wyoming, Wisconsin, and Maryland.

The findings presented herein are those of WDG only. This authorized study required independent research to identify the county's advantages and challenges and determine the target opportunities that mesh with its attributes. We have examined Sheridan County from a corporate perspective, our own knowledge of markets across the U.S., and industry location drivers, patterns, and trends. For this study, WDG:

1. Prepared statistical data for a 45-minute commute zone from downtown Sheridan in Sheridan County, Wyoming, and for the U.S. to be used for benchmarking purposes. The data is provided, where available, in the exhibits of Appendix A. Research sources used include, but are not limited to, the U.S. Bureau of the Census, the U.S. Bureau of Labor Statistics, the U.S. Department of Commerce County Business Patterns, the U.S. Department of Education, local economic development agencies, and the Wyoming Business Council. TETRAD, Inc., a leading demographic data vendor of Claritas data, was used for 2006 and 2011 demographic, occupational, and related data estimates and projections.
2. Confidentially interviewed eleven community stakeholders, including representative employers, workforce services, commercial and residential real estate brokers, a telecommunications provider, Sheridan College, and economic development professionals. WDG also conducted two focus groups; one directed at the region's artists, and one directed at small business and entrepreneurs. The firm also participated with Forward Sheridan in a SWOT visioning session that included the active involvement of more than 50 residents representing a diversity of interests within Sheridan County.
3. Surveyed, as part of the assignment for Wyoming Department of Workforce Services (in the summer of 2006), employers across all business categories in Sheridan and Johnson Counties on workforce conditions. Questions were asked on labor availability and quality, productivity, turnover and absenteeism, recruiting and retention strategies, and training and educational resources. Survey forms were mailed to 1,240 companies in Sheridan County, with response from 148 firms, reflecting an overall response rate of 11.9%. Employer survey findings are presented in Appendix B1. Findings for Sheridan County alone are presented in Appendix B2.

4. Surveyed in the summer of 2006, as part of the Wyoming Department of Workforce Services assignment, a random, stratified sample of Sheridan and Johnson County residents aged 18 to 74 to gather information on employment status, skills, training needs, income, and education levels. To achieve the required response rate for statistical validity and to reach all socio-economic segments of the population, the household survey was conducted using face-to-face interviews at popular retail centers in the county. The survey results have a $\pm 5\%$ margin of error and a reliability of 95%. The survey was conducted by Younger Associates, a strategic partner of WDG that specializes in economic development surveys. A total of 222 Sheridan County residents were interviewed. The household survey findings are presented in Appendix C.

EXECUTIVE SUMMARY

WDG's identification of target opportunities for Sheridan County is based on an assessment of the county's strengths and weaknesses; the dominant and expanding industry sectors at national, state, and local levels; the small-business characteristics of the county; and the experiences and insights expressed by county employers, educators, and stakeholders.

Sheridan County residents hold a diversity of opinions regarding the region's future and how best to get there; what residents hold in common, however, is a high level of civic pride and interest in enhancing their communities and the county.

This opportunities report shows that Sheridan County has many advantages. Included among its key assets are:

- **Good transportation infrastructure:** no local highway congestion, direct access to the interstate highway network, and passenger air service to Denver, CO.
- **Relatively high educational levels:** higher-than-average concentrations of residents with high school diplomas, one to three years of college, associate's degrees, bachelor's degrees, and/or 12 to 15 years of education.
- **Hidden labor supplies:** WDG's extrapolations of household-survey data reveal there are about 5,350 not-employed county residents interested in working, about 3,375 residents considering themselves underemployed, and nearly 200 annual Sheridan College graduates. The not-employed and the underemployed tend to be well educated, with more than half attaining post-secondary school training; many of these residents would be interested in training to enhance their skills.
- **Post-secondary educational opportunities:** Sheridan College enrolls nearly 2,850 students and offers certificate and associate's degree programs in a variety of vocational and technical areas, including nursing, dental hygiene, businesses, machining, welding, and diesel engine repair, among other programs.
- **A good quality of life:** the region offers exceptional outdoor recreational amenities, some cultural amenities, low crime rates, and good public education.
- **A favorable business climate:** Wyoming is a right-to-work state supporting employment-at-will policies, and offers a low-tax environment for companies in all industries, no personal income tax, and relatively low property taxes.

Sheridan County faces challenges that impact the types of target opportunities that are recommended by WDG for priority pursuit by Forward Sheridan at this time. Key challenges are:

- **Small population and labor-force base:** Sheridan County's population and labor force are relatively small, and are projected to expand modestly by 2011—at rates below the state and national norms. This modest growth restrains the headcount requirements of new and expanding operations.
- **Full-employment hiring conditions:** high unemployment and high labor-force participation are indicative of tight labor-market conditions. Employers report difficulties hiring workers in a variety of professional, technical, and production occupations.

- **Difficulties recruiting professional and other talent from outside the region:** recruiting deterrents include limited job opportunities for the “trailing” spouse, and the cost and availability of housing.
- **Borderline-satisfactory basic skills levels:** employers report that job applicants have borderline-satisfactory basic skills, including math, thinking and judgment, and reading comprehension. Written communications skills were rated as unsatisfactory.
- **Some employee training needs are not locally available:** about 24% of employers indicate that they have employee training needs that are not available in Sheridan County.
- **Housing and living costs are relatively high in Sheridan County:** the county’s median home value and cost of living were higher than the state average. The limited supply and cost of housing place a burden on low- and moderate-income residents, many of whom are caught in the imbalance between relatively lower wages and high housing costs. The higher housing costs and limited availability also impact outside recruitment of personnel.

Sheridan County’s unique blending of assets and challenges, its predominantly small-business climate and economic profile, and local, state, and national industry trends dictate that selected target opportunities focus on activities that provide quality jobs with low staffing demands. With this foundation, WDG has identified six target activities for consideration by Forward Sheridan. These activities conform to those previously identified in the Wyoming Business Council report and by Forward Sheridan. The six targets, in order of recommended priority are:

1. Information Services
2. Professional, Scientific, Management, and Technical Services
3. Small Supportive Office (Back Office)
4. Small, Light Manufacturing, Niche-Product Manufacturing
5. Creative Arts, Western Arts, Home Furnishings
6. Active Recreation and Western-Themed Tourism

These targets build on the county’s unique blend of assets and challenges, and offer an excellent base for career, skills, and income enhancement among the county’s residents. The priority assignment for each target is based upon the anticipated time needed for implementation and the role it can play as a preparative developer for the other targets. Two of the targets also offer additional benefits: they enhance the county’s quality of life by attracting creative residents to the area; they attract visitors to the county; and they enhance the county’s image as a fun and attractive location. Three of the targets need to be selected as finalists.

Although regional retail operations are not listed as a target, such operations might be an effective target for Forward Sheridan’s business-attraction efforts.

TARGET OPPORTUNITIES

Introduction

The objective of this assignment is to identify and prioritize six target opportunities for Forward Sheridan’s consideration, and, from these six, to select three primary and three secondary targets. The three primary targets would be the focus of recruiting activity over the next three years, and at that point, the other three targets could begin receiving attention.

In identifying the target opportunities, WDG pursued a methodical approach, examining and balancing four factors that support our selections, as follows:

1. Sheridan County’s assets, challenges, and resources for business location
2. Existing industry mix and industry trends
3. Small-business characteristics
4. Previously identified target activities and opportunities, including those identified by the community, and activity types preferred by the community

The City of Sheridan is the principal population center in Sheridan County. It serves as the regional center for healthcare, education, government, retail, legal, and finance-related activities. The city offers an active downtown consisting of a variety of specialty stores and boutiques, banks and professional offices, a historic theater, restaurants and coffee shops, and government administration buildings.

The residents of Sheridan County exhibit a high level of civic pride and deep concern for the county’s future—a balance of retaining the essential elements that keep people in and draw people to the area, along with the desire to diversify and grow the regional community. Sheridan County’s relative isolation from large urban centers and its limited diversity of cultural amenities that are supportable in larger metropolitan areas may be viewed as shortcomings to some residents; however, there are lifelong and new residents who wish to keep Sheridan County “the way it is.”

Sheridan County is blessed with many advantages that include: no local highway congestion; good direct service to interstate highways; a well-educated population base; a labor force that demonstrates a strong work ethic and good productivity; a well-regarded two-year college; responsible, competent, and business-oriented community leaders; a high-quality and growing healthcare facility; good public schools; low violent- and property-crime rates; a favorable low-tax environment; and an appealing natural environment. Outdoor recreational activities are plentiful, and the natural environment is accessible and uncrowded.

Among Sheridan County’s challenges are: a small population and labor-force base with modest projected growth; low unemployment and high labor-force participation (resulting in a tight labor environment with low labor elasticity that reportedly impacts employer sales and growth potentials); a higher-than-average median age that is rising faster than the national norm; a below-average concentration of residents with 16 or more years of education and graduate degrees; employer difficulties recruiting managers and professional talent from outside the area; borderline-satisfactory overall worker skills; and high housing and living costs that squeeze lower-wage-earning residents and deter personnel relocations into the county.

Summary of Locational Factors – Assets and Challenges

It has been WDG’s experience that credible target industry, activity, or opportunity identification cannot be accomplished without understanding the competitive strengths and weaknesses of an area. After extensive review of Sheridan County, we uncovered the following blend of assets and challenges that drive the selection of target opportunities:

SUMMARY OF KEY LOCATIONAL FACTORS – ASSETS AND CHALLENGES

Factor	Assets	Challenges	Neutral
Accessibility/ Area Orientation	<p>Passenger air service to Denver, CO, with alternate air service in Gillette, Casper, Cheyenne, and Billings, MT.</p> <p>I-90 provides east-west travel; I-25 offers southerly access to Cheyenne and Denver.</p> <p>No local highway congestion.</p>	<p>Isolation from large urban centers limits diversity of cultural, recreational, and shopping amenities.</p>	<p>Mountain Time Zone</p>
Labor Availability	<p>High percentage increase in residents ages 18 to 34 yrs projected between 2006 and 2011 –a prime group that includes the talented young, new-economy-oriented workers, and entrepreneurs.</p> <p>Relatively high educational levels: % with HS diploma slightly higher than US % with 1 to 3 years of college higher than US % associate degrees higher than US % bachelor degrees higher than US % 12-15 yrs of education higher than US</p> <p>Generally strong high school graduation rates, but limited workforce additions due to small base.</p> <p>Median household incomes 10% below the state average – indicating potential for second-income-earner recruiting.</p> <p>Satisfactory availability of office and administrative support, architecture and engineering, and protective services.</p> <p>Projected hidden labor supply of 8,338, including the not-employed, underemployed, and recent college graduates.</p> <p>Satisfactory recruiting of office & admin support, architecture/engineering, and protective services.</p>	<p>Small Sheridan County population base (27,337) and labor force (15,462).</p> <p>Modest population & labor force growth.</p> <p>High median age (42.7 yrs).</p> <p>Projected decline in working-age residents (35 - 54 yrs) and youths.</p> <p>% graduate degrees lower than U.S.</p> <p>High concentration of residents 55 years of age and older, and the cohort is projected to grow.</p> <p>Low unemployment rate and high labor participation rate indicate “full employment” conditions.</p> <p>Eight occupations difficult to staff, and 7 very difficult, including: construction/ extraction; arts, design, entertainment, sports, media; installation, maintenance, repair; and production.</p> <p>Great difficulty recruiting professional talent from outside of the area. Limited jobs for trailing spouses. Availability, quality & cost of housing is a deterrent.</p>	<p>Dominant industry sectors are health care/social assistance, retail trade, construction, agriculture/ fishing/hunting/mining, educational services, accommodation/food services, and other services.</p> <p>Top 5 occupations are office/administrative support, sales/related, construction/extraction, management, and transportation/material moving.</p>

SUMMARY OF KEY LOCATIONAL FACTORS – ASSETS AND CHALLENGES *continued*

Factor	Assets	Challenges	Neutral
Labor Quality	<p>Verbal communication/comprehension and team and cooperative skills received satisfactory scores.</p> <p>Employers report an excellent work ethic and good levels of productivity – among the highest scores seen by WDG.</p> <p>Employer/employee relations are favorably rated.</p>	<p>Employers report the job applicant basic skill level is borderline satisfactory, including individual skills (math, thinking and judgment, and reading comprehension). Written communication skills were rated as unsatisfactory.</p>	<p>Firms seldom develop training and recruiting relationships with high schools, community colleges, colleges, and universities.</p> <p>Strong opportunity for employers to develop specialized training programs and recruit trained candidates.</p>
Labor Costs	<p>Sheridan County’s average private-sector earnings are lower than statewide and national norms.</p>	<p>Sheridan County’s average earnings in the administrative support, waste management and remediation services industry exceed the national average.</p> <p>Underemployed residents have high wage expectations –exceeding the Wyoming average</p>	<p>More than half of surveyed employers provide health insurance options for employee’s dependants.</p> <p>Worksite amenities and human resource policies are traditional, though some firms adopted job share, flex-time, and partial day off options.</p>
Training and Education	<p>Sheridan College enrolls 2,849 at the Sheridan campus. The college conferred 96 certificates and 227 associate’s degrees between July 2005 and June 2006. Leading certificate programs include: LPN, diesel engine mech./repair, and message therapy. Leading associate’s degree programs include: RN, general studies, general business, dental hygienist, & teacher education.</p> <p>All five Sheridan County public high schools met the Adequate Yearly Progress requirements of No Child Left Behind federal mandates.</p>	<p>24.1% of responding employers indicated they have training needs not available locally.</p>	<p>60% of responding employers have formal in-house training programs, most frequently in job-specific, safety, and basic skills training.</p>
Quality of Life	<p>Cultural offerings are strong, considering the small population base and dispersed population centers.</p> <p>Low property- and violent-crime rates.</p> <p>Plentiful outdoor recreational amenities in region.</p>	<p>Housing costs 9% higher than state average, and lack of affordable options for service-based workers.</p> <p>Limited health care services.</p>	

SUMMARY OF KEY LOCATIONAL FACTORS – ASSETS AND CHALLENGES *continued*

Factor	Assets	Challenges	Neutral
<p>Business and Operating Environment</p>	<p>Right-to-work state, offering employment-at-will policies.</p> <p>Low union solicitation activity – just two NLRB elections over the past 16 years –one election in 1990 resulted in a vote for the union, impacting just 7 workers.</p> <p>Low tax environment for most industry sectors.</p> <p>Raw materials and finished-goods inventory exempt from property tax.</p> <p>Favorable local electric power costs.</p> <p>Sales tax exemption for new production machinery and equipment</p>	<p>Although property taxes apply to most forms of business with few exemptions, and works in progress are not exempt, the tax rates are low. This message may be difficult to convey to site seekers who only ask if taxes apply.</p> <p>Higher costs for building, sites, and construction.</p> <p>Limited site availability.</p> <p>High perceived costs for rail and air freight. Overnight mail/package delivery services limited and costly.</p> <p>Lack of business assistance and incentives.</p>	<p>Satisfactory-or-better employer perceptions about most infrastructure categories.</p> <p>Limitations on industrial wastes permitted to enter sewer system.</p>

Dominant Industry Sectors in Sheridan County, Wyoming, and the U.S.

Table 1 details the number of jobs and establishments in Sheridan County, and the change in jobs and establishments between 1999 and 2004 for the county, Wyoming, and the U.S. across the 20 two-digit NAICS industry codes. In 2004, the top five industry sectors (as measured by the number of jobs) in Sheridan County were *healthcare and social assistance, retail trade, accommodation and food service, construction, and other services (except public administration)*, and these five sectors employed approximately 72% of Sheridan County jobs.

TABLE 1
INDUSTRY GROWTH IN SHERIDAN COUNTY, WYOMING, AND THE U.S. – TWO-DIGIT NAICS CODES*

Source: U.S. Census Bureau, County Business Patterns, 2004 and 1999

2-Digit NAICS	Industry	Sheridan County				Wyoming		U.S.	
		# Estabs. 2004	# Jobs 2004	Estabs. % Chg. '99-'04	Jobs % Chg. '99-'04	Estabs. % Chg. '99-'04	Jobs % Chg. '99-'04	Estabs. % Chg. '99-'04	Jobs % Chg. '99-'04
-	Total – all industries	1,153	9,455	7%	8%	8%	11%	5.4%	3.9%
Industry Sectors in which Sheridan County Job Growth Exceeds U.S. Job Growth									
21	Mining	25	177	150%	195%	23%	19%	0.6%	3.0%
23	Construction	176	921	26%	10%	17%	7%	8.9%	7.2%
31	Manufacturing	34	318	10%	6%	-2%	8%	-5.9%	-17.0%
53	Real estate & rental & leasing	58	212	-22%	28%	18%	26%	17.0%	11.3%
56	Admin, support, waste mgt, remediation srvc.	50	170	19%	32%	13%	16%	2.4%	4.1%
61	Educational services	13	50	86%	-	34%	-	18.5%	19.0%
71	Arts, entertainment & recreation	26	117	30%	29%	21%	24%	15.6%	15.2%
Industry Sectors in which Sheridan County Job Growth Exceeds U.S. Job Growth									
11	Forestry, fishing, hunting, & agriculture support	8	20-99	-11%	-	-5%	-	-5.2%	-5.2%
22	Utilities	3	20-99	-25%	-	-19%	-18%	6.6%	-4.8%
42	Wholesale trade	47	239	15%	-4%	-2%	9%	-4.6%	-1.1%
44	Retail trade	167	1,641	-8%	5%	1%	7%	0.8%	6.0%
48	Transportation & warehousing	40	285	33%	10%	26%	45%	10.4%	13.0%
51	Information	22	182	10%	3%	5%	6%	10.4%	7.4%
52	Finance & insurance	51	344	9%	-8%	10%	9%	12.5%	8.7%
54	Professional, scientific & technical services	107	436	16%	7%	16%	22%	14.2%	17.7%
55	Management of companies & enterprises	3	22	-40%	-21%	18%	-38%	-0.4%	1.3%
62	Health care and social assistance	104	2,326	11%	12%	12%	13%	12.6%	14.1%
72	Accommodation & food services	100	1,327	12%	1%	3%	7%	9.5%	11.5%
81	Other services (except public administration)	109	587	6%	3%	6%	8%	2.3%	5.1%
99	Unclassified establishments	10	12	-74%	-79%	-56%	-	-58.0%	-48.3%

* Top five industry sectors by percentage employment growth in **bold**.

- The top five expanding industries in Sheridan County (as measured by job growth) between 1999 and 2004 in Table 1 (above) are summarized in Table 2, along with the top five growing industry sectors in Wyoming and the U.S.

**TABLE 2
TOP FIVE EXPANDING INDUSTRY SECTORS IN SHERIDAN COUNTY, WYOMING, AND THE U.S.**

Source: U.S. Census Bureau, County Business Patterns, 2004 and 1999, Table 1

Sheridan County	Wyoming	U.S.
1. Mining	1. Transportation & Warehousing	1. Educational services
2. Admin, support, waste mgt, remediation svcs.	2. Real estate & rental & leasing	2. Professional, scientific & technical svcs.
3. Arts, entertainment & recreation	3. Arts, entertainment & recreation	3. Arts, entertainment & recreation
4. Real estate & rental & leasing	4. Professional, scientific & technical svcs.	4. Health care & social assistance
5. Health care & social assistance	5. Mining	5. Transportation & Warehousing

- The top five industry sectors for Sheridan County, Wyoming and the U.S. are restated in Table 3, by level of relevance to the county.

**TABLE 3
INDUSTRY SECTOR COMMONALITIES – SHERIDAN COUNTY, WYOMING, AND THE U.S.**

Source: U.S. Census Bureau, County Business Patterns, 2004 and 1999

Industry Sectors	Sheridan County	Wyoming	U.S.
Arts, entertainment & recreation	X	X	X
Mining	X	X	
Real estate & rental & leasing	X	X	
Health care & social assistance	X		X
Admin, support, waste mgt, remediation svcs.	X		
Professional, scientific, & technical svcs.		X	X
Transportation & Warehousing		X	X
Educational Services			X

Small Business in Sheridan County

The county's business base is with small employers and facilities. Nearly 60% (683) of the 1,153 existing Sheridan County establishments identified by the U.S. Census Bureau in 2004 had four or fewer employees. Of the total establishments, 1,064 (92%) had fewer than 20 employees, and 67 (5.8%) had between 20 and 49 employees. Just 22 establishments (less than 2%) had 50 or more employees, and these firms were in the following industry sectors: healthcare and social assistance (9); retail trade (4); accommodation and food service (4); construction (1), manufacturing (1), transportation and warehousing (1); finance and insurance (1); and other services (1). Table 4 illustrates the significance of small businesses in the Sheridan County employment base.

TABLE 4
NUMBER OF ESTABLISHMENTS BY EMPLOYMENT SIZE IN SHERIDAN COUNTY – TWO-DIGIT NAICS CODES*
 Source: U.S. Census Bureau, County Business Patterns, 2004

2-Digit NAICS	Industry Code Description	Total Estabs.	1-4	5-9	10-19	20-49	50-99	100-249	250-499	500 or more
-	Total	1,153	683	234	147	67	13	6	3	0
-	<i>Percent of Total Establishments</i>	<i>100%</i>	<i>59.2%</i>	<i>20.3%</i>	<i>12.7%</i>	<i>5.8%</i>	<i>1.1%</i>	<i>0.5%</i>	<i>0.3%</i>	<i>0.0%</i>
11	Forestry, fishing, hunting, and agriculture support	8	6	0	2	0	0	0	0	0
21	Mining	25	12	9	3	1	0	0	0	0
22	Utilities	3	1	0	1	1	0	0	0	0
23	Construction	176	111	31	26	7	1	0	0	0
31	Manufacturing	34	17	9	5	2	1	0	0	0
42	Wholesale trade	47	34	5	6	2	0	0	0	0
44	Retail trade	167	81	45	24	13	3	0	1	0
48	Transportation & warehousing	40	24	9	4	2	1	0	0	0
51	Information	22	13	3	4	2	0	0	0	0
52	Finance & insurance	51	30	11	5	4	1	0	0	0
53	Real estate & rental & leasing	58	46	7	4	1	0	0	0	0
54	Professional, scientific & technical services	107	76	17	13	1	0	0	0	0
55	Management of companies & enterprises	3	0	3	0	0	0	0	0	0
56	Admin, support, waste mgt, remediation services	50	37	10	1	2	0	0	0	0
61	Educational services	13	8	4	1	0	0	0	0	0
62	Health care and social assistance	104	51	23	13	8	3	4	2	0
71	Arts, entertainment & recreation	26	19	4	2	1	0	0	0	0
72	Accommodation & food services	100	40	13	24	19	3	1	0	0
81	Other services (except public administration)	109	67	31	9	1	0	1	0	0
99	Unclassified establishments	10	10	0	0	0	0	0	0	0

Dominant Factors Impacting Target Opportunities Selection

Through evaluating Sheridan County's primary assets and challenges, local, state, and national industry-sector growth trends, and the opinions and values expressed by community stakeholders, several dominant factors emerge that drive the selection of target opportunities. These themes are:

1. The smaller population and labor-force base and modest projected growth trends, well-educated population, and below-average incomes would lead to the selection of target opportunities that provide quality job opportunities with low headcount demands.
2. Existing employers report tight labor-market conditions in a number of key occupational areas, including: healthcare support; healthcare practitioners; transportation and material-moving; management; sales; construction and extraction; production; and installation, maintenance, and support, among others occupations. Skills must be generated internally through secondary schools, Sheridan College, and Wyoming Department of Workforce Services training programs; and externally by attracting talent from outside Sheridan County.
3. There is a pool of workers who consider themselves underemployed (estimated at 3,220 residents). These underemployed workers tend to be female (52.9%), are between the ages of 18 and 34 years (31.4%) and between the ages of 45 and 54 years (35.3%), are well educated (74.5% have attended college or earned vocational/technical certificates, or associate's, bachelor's, or graduate degrees), and have expectations for higher wages. These individuals need quality jobs offering skills diversity and strong wages and requiring a high skills base.
4. There is a pool of not-employed residents willing to work (estimated at 4,921 residents). These not-employed residents have previous job experience in construction and extraction, management, business and financial operations, and sales occupations, among other occupations; the majority are female (68.4%), are well-educated (52.7% have attended college, attended or received certificates from vocational/technical schools, or achieved associate's, bachelor's, or graduate degrees), are raising a family (17.6%), are retired (11.8%), or are unable to find a suitable job (29.4%). These individuals would benefit through training initiatives that enhance residents' skills in high-demand occupations.
5. The limited availability and cost of housing and the high cost of living represent significant location deterrents. These higher costs will continue to impact existing residents and deter relocation to the community.
6. The City of Sheridan has no existing buildings available for immediate occupancy by small and medium-sized commercial and industrial operations. Additionally, there are very few commercial and industrial sites that are served (or near services) and that can quickly accommodate new commercial and industrial development.
7. The City of Sheridan is positioned along a major north/south fiberoptic route that provides redundant connectivity to the national fiberoptic networks. Voice, data, and Internet services are available from Advanced Communications Technology (ACT) and Quest, and there are no impediments to operating a high-tech or service operation in the city. ACT provides service to nearly all of the communities in northern Wyoming.
8. Wyoming offers a low-tax environment to companies in all industry sectors. The state does not levy corporate or personal income tax, inventory tax, accounts receivables tax, impact fees, and stamp documentation, mortgage recording, or realty transfer fees.

Sales tax is not levied on raw materials in the state. Property taxes are low in Sheridan County (for example, the tax on a commercial facility valued at \$1 million would be approximately \$6,400).

9. Interviewed employers and educators encourage the targeting of environmentally-clean industries.

Target Opportunities Suggested in Previous Studies and by Community Stakeholders

In April 2005, the Wadley-Donovan Group prepared location assessment reports for the Wyoming Business Council that identified economic development targets for twelve separate areas or zones across Wyoming. Sheridan County was included along with Johnson County in Zone 2. The location assessment for Zone 2 identified three specific targets that best aligned with the assets and challenges of the region. The three targets included:

1. **Knowledge-based sector (New Economy)**

- Data processing and information retrieval services
- Engineering, research, and testing labs
- Internet service providers
- Mobile entrepreneurs (including consultants, financial/investment services, and business services) and “Lone Eagles” (**i.e., individuals, couples or partners who seek to operate as self-employed individuals or in free-lance capacities**)
- Archival services for educational institutions
- Data processing services / information services operations
- Defense industry

2. **Privately-owned small manufacturing and service operations**

- California
- Owners nearing retirement
- Possibly Colorado

3. **Creative arts**

- Artists, artisans, crafters, writers, and musicians, with a focus on the Western Theme
- Production companies, sound and recording studios
- Equipment: kilns, forges, imaging, sound, software
- Services: agents/dealers, studios, printing, public relations, graphics
- Products: Western furniture, metal sculptures, Western home décor, Western art
- Mobile entrepreneurs and “Lone Eagles”

The four-year economic development strategy prepared by Forward Sheridan accepts these targets (excepting creative arts) as their goals, but restates them into revised sets, while adding *Administrative and Healthcare* and *Social Assistance* as additional target sectors. Forward Sheridan’s targets include:

1. **Information-based business**

- Engineering, research, testing labs
- Data processing and information retrieval
- Mobile entrepreneurs, “lone eagles,” consultants

2. **Professional and Technical Services**
 - Accounting and bookkeeping services
 - Architectural and engineering services
 - Management consulting services
3. **Light Manufacturing**
4. **Administrative**
 - Employment services
 - Business support services
 - Office administrative services
5. **Healthcare and Social Assistance**
 - Nursing care facilities
 - Vocational rehabilitation services
 - Outpatient care services

Interviewed stakeholders in Sheridan County also suggested the following target opportunities for consideration:

1. Developers of on-line educational sites, books, courses
2. Methane- and wind-supported greenhouses for locally-produced food
3. Center for green-building technologies—in collaboration with Sheridan College and the Whitney Benefits Foundation
4. Regional recycling center, with a component to salvage materials for resale (e.g., cabinets, appliances, furniture, etc.)
5. Sheridan as the Leather Capital of the U.S., to stimulate the production and marketing of leather products, including tooling, design, and presentation
6. Visual arts center, including co-op gallery and conversion of upstairs-downtown as affordable housing and studio space for established artists
7. Outdoor sports—training school and equipment sales
8. Tourism with a Western theme, suggestions include: a dude ranch; the reopening of a local ski area; hunting; snowmobiling; activities attracting tourists from the Midwest, Iowa, and Minnesota
9. Attract retirees into the region
10. Education programs for senior citizens
11. Meat-processing plant
12. High-tech power plant
13. Saw mill

14. Hydrogen production
15. High-tech “niche” manufacturing—build in and ship from Sheridan County
16. Environmental companies—clean industries, including: mineral-related companies; emissions control and processing; water treatment; coal-bed methane
17. Retail and services: suggestions include Apple computer sales and service; steel supplies; a Target store

Recommended Target Opportunities

After assessing the county's blend of characteristics, existing target opportunities, and community goals, WDG offers the following six targets (listed in priority order) for consideration:

1. Information Services

- Target activities
 - Data processing and information retrieval services
 - Archival services for education institutions
 - Internet service providers
 - Electronic data storage
 - Server farms
 - Mobile entrepreneurs and “Lone Eagles”
- Rationale for Selection
 - Heavily populated by small business with low headcount demands
 - Will create professional positions offering above-average wages
 - Strong potential to partner with Sheridan College to create/modify training programs to support these operations
 - Satisfactory local availability of office and administrative support occupations
 - Not-employed and underemployed residents are well educated with potential for training/retraining to meet the needs of this sector
 - WDG extrapolations of household survey data indicate over 700 not-employed residents with skills in business and financial occupations. Additionally, about 470 not-employed residents and over 900 employed workers would like training in computer and mathematical occupations.
 - Expanding industry sectors at national, state, and local levels supporting the target opportunity are: educational services; information; and professional, scientific, and technical services.

2. Professional, Scientific, Management, and Technical Services

- Target Activities
 - Engineering, applications research, and testing laboratories
 - Engineering and environmental services—including services supporting mineral extraction, emissions testing, water treatment related to coal-bed methane extraction
 - Architectural services
 - Software development, computer network support services
 - Accounting and bookkeeping services
 - Agricultural and horticultural support services

- Graphic and other design services
- Regional medical services center, including physician-owned, such as treatment, rehabilitation and diagnostic facilities
- Office, industrial, medical and commercial technical support and maintenance services such as network administration, equipment repair, software and hardware support, appliance repair, and telecom equipment installation and maintenance.
- Real estate management
- Legal services
- Sales offices
- Management consulting services
- Mobile entrepreneurs and “Lone Eagles”
- Rationale for Selection
 - Target activities are heavily populated by small service operations with low headcount demands
 - Will create professional and technical positions offering above-average wages
 - Strong potential to partner with Sheridan College to create/modify training programs to support these operations
 - Opportunity to attract University of Wyoming graduates in professional, scientific, and technical fields
 - Satisfactory availability of architectural and engineering occupations
 - Opportunity for being the regional center for a multi-county service technical service center, including consolidation of smaller local operations within a multi-county region into Sheridan
 - Not-employed and underemployed residents are well educated, with potential for training/retraining.
 - WDG extrapolations of household survey data indicate over 547 not-employed residents with skills in business and financial occupations, and over 820 with skills in management occupations. Additionally, an estimated 188 employed residents would like training in management occupations.
 - WDG extrapolations of household survey data indicate about 377 not-employed residents and over 900 employed workers would like training in computer and mathematical occupations.
 - Expanding industry sectors at national, state, and local levels supporting the target opportunity are: mining; professional, scientific, and technical services; administrative support, waste management, and remediation services; and educational services. The finance and insurance industry is expanding at national and state levels, despite modest local employment declines between 1999 and 2004.

3. Small Supportive Office (Back Office)

- Target Activities
 - Regional administrative and customer service centers providing support operations such as: processing orders, billings, accounting and bookkeeping services, claims, accounts receivable and payable, customer support, and other services
 - Technical support centers
 - Employment services
 - Human resource support services
 - Insurance claims appraisal offices
 - Supportive office services to the mineral extraction industry, including coal bed methane
 - Small business support operations linked to the targets listed in Target # 2 Professional, Scientific, Management and Technical Services
 - Fund raising, polling, and market survey operations
 - Political and lobby-related information providers
 - Mobile entrepreneurs and Lone Eagles
- Rationale for Selection
 - Populated by small back office and service operations with low headcount demands
 - Office operations within this target opportunity share the common element of being professional operations with well-educated employees
 - Provides for centralization of services for a regional market that could not be supported by smaller more localized markets
 - The target's office workforce is usually dominated by individuals with a two- or four-year college degree and a high level of administrative, clerical, accounting, professional, or technical skills
 - Strong potential to partner with Sheridan College to create/modify training programs to support operations, as well as to provide job opportunities
 - Not-employed and underemployed residents are well educated with potential for training/retraining
 - WDG extrapolations of household survey data indicate over 540 not-employed residents with skills in business and financial occupations
 - WDG extrapolations of household survey data reveal 377 not-employed residents would like training in office and administrative support occupations
 - Expanding industry sectors at national, state, and local levels supporting the target opportunity are: administrative support, and waste management, and remediation services, and information industry The finance and insurance industry is expanding at national and state levels, despite modest local employment declines between 1999 and 2004

4. **Small Manufacturing, Light Manufacturing, “Niche” Product Manufacturing**

- Target Activities
 - Specialized products manufactured, machined, or serviced for the minerals extraction industry
 - Bio-processing, chemicals, pharmaceuticals
 - Defense-related products
 - Electronics
 - Medical devices
 - Rubber and plastics
 - Glass and ceramics
 - Specialty metals
 - Recreational equipment
 - Mobile entrepreneurs and “Lone Eagles”
- Rationale for Selection
 - Focus is on small manufacturing operations with low headcount demands.
 - Centers on high-value products, processes, and materials that fill specific needs of other manufacturers or consumers—items that are less vulnerable to overseas competition
 - High-value, specialty product manufacturing will offer above-average wages.
 - Strong potential to partner with Sheridan College to create/modify technical training programs to support these industries, as well as to provide job opportunities. The college currently offers programs in machinist/machine technologies, precision production, and welding
 - High-tech manufacturing processes could attract University of Wyoming graduates in scientific and technical fields.
 - The region’s not-employed and underemployed residents are well educated, with potential for training/retraining for occupations in this sector.
 - WDG extrapolations of household survey data indicate that over 329 underemployed residents have skills in production occupations.
 - While the manufacturing-sector employment has declined at the national and state levels, it has expanded in Sheridan County. Manufacturing jobs offer employment diversity in the region.

5. **Creative Arts, Western Arts, Home Furnishings**

- Target Activities
 - Artists, artisans, crafters, writers, musicians, etc. – with a focus on the Western Theme
 - Production companies, sound and recording studios

- Products: Western furniture, metal sculpture, Western home décor, Western art, leather sculpting
- Services: agents/dealers, brokers, studios, printing, public relations, graphics
- An initiative to create a Creative Arts cluster of activities in Sheridan County, including a gallery with low-cost work space, and low-cost residential/studio space for creative artists
- Mobile entrepreneurs and Lone Eagles
- Rationale for Selection
 - Target activities are heavily populated by small creative arts operations/businesses with low headcount demands.
 - Would assist local artists, attract outside artisans to relocate to Sheridan County, provide venues for artists to exhibit and sell their craft/art, and support the image for the area as a creative center – a fun place to live, work, and visit.
 - Strong potential to partner with Sheridan College arts programs.
 - Sheridan County is home to over 150 artists in a variety of creative media.
 - Artist-in-residence programs are available through the Ucross Foundation in Clearmont, and Neltje’s Jentel Program located between Sheridan and Clearmont.
 - The arts, entertainment, and recreation industry is expanding at national, state, and local levels.
 - Expanding the creative arts will help to attract and retain the young and talented, Lone Eagles, and mobile entrepreneurs.

6. Active Recreation and Western-Theme Tourism

- Target Activities
 - Outdoor sports training schools and equipment sales (e.g., backpacking, climbing, hang-gliding and parasailing, mountain bicycling, among others)
 - Dude ranch and horseback-riding school
 - Open/re-open downhill and cross-country skiing venues
 - Education and Western art programs for senior citizens
- Rationale for Selection
 - Populated by small, creative operations with low headcount demands.
 - Attracting year-round recreational diversity would support the image of Sheridan County as a creative and recreationally-active community—a fun and dynamic place to live, work, play, and visit.
 - Cultural and recreational amenities are critical in attracting the talented young, mobile entrepreneurs and Lone Eagles.
 - Target could be expanded to provide recreation opportunities focused on the attraction and retention of early retirees, and some may be interested in starting new businesses or working full- or part-time jobs.
 - The arts, entertainment, and recreation industry sector is expanding at national, state, and local levels.

DETAILED COMMUNITY ASSESSMENT

This assessment was used in our analysis of the community, and will serve as a data source for Forward Sheridan in its marketing efforts.

Area Orientation

- Sheridan County, Wyoming is located in the north-central portion of the state.** Sheridan County occupies 2,523 square miles with an estimated population base of 27,337 in 2006, resulting in a population density of roughly 10.8 persons per square mile. Johnson County, located to the south of Sheridan County, occupies 4,166 square miles and contains an estimated population base of 7,848 in 2006, resulting in a population density of about 1.9 persons per square mile. Sheridan County's population centers primarily extend along I-90 and I-25, and include such communities as Parkman, Ranchester, Sheridan, Big Horn, Story, and Clearmont. The region is shown in the context of the western United States in Figure 1 and in the context of Wyoming in Figure 2. Sheridan County communities are shown in Figure 3.
 - The City of Sheridan, containing 16,157 residents in 2006, is the largest municipality in Sheridan County, followed by Story, with 993 residents.
 - The City of Buffalo, in neighboring Johnson County, is the second-largest city in north-central Wyoming, with a population of 4,189.
- The Bighorn Mountains and Big Horn National Forest extend along the western portion of Sheridan County, providing a scenic backdrop and significant, multi-season, recreational opportunities.**
- Primary access to the region is provided by I-90, which extends southward into Sheridan County from Montana, and northward into Sheridan County from Johnson County.** Sheridan County is accessible to both I-90 and to I-25 in Johnson County.
 - From Sheridan, I-90 travels north into Montana and continues west into Idaho and Washington. South of Sheridan, I-90 turns east at Buffalo and continues into South Dakota, Minnesota, and Wisconsin.
 - I-25 extends south of Buffalo and continues through Casper and Cheyenne into Colorado and New Mexico.
- A number of major cities within a multi-state area (e.g., Wyoming, Idaho, Utah, Montana, Colorado, Nebraska, and South Dakota) can be reached in less than ten hours of driving time.** Driving distances to key state and regional centers are provided in Table 5. This table shows data for the routing with the fastest drive times. Alternative routes with shorter mileages may exist, but with longer drive times, as determined by available data.

TABLE 5
DRIVING DISTANCES TO KEY STATE AND REGIONAL CENTERS FROM SHERIDAN, WY
 Source: Microsoft Mapquest

Destination City	From Sheridan, WY	
	Highway Miles	Driving Time
Billings, MT	132	1 hr, 53 mins
Boise, ID	758	11 hrs, 20 mins
Butte, MT	357	4 hrs, 56 mins
Colorado Springs, CO	493	6 hrs, 58 mins
Denver, CO	423	5 hrs, 56 mins
Fort Collins, CO	369	5 hrs, 8 mins
Great Falls, MT	351	6 hrs, 16 mins
Helena, MT	370	5 hrs, 33 mins
Idaho Falls, ID	747	7 hrs, 36 mins
Missoula, MT	474	6 hrs, 29 mins
North Platte, NE	548	7 hrs, 30 mins
Ogden, UT	550	8 hrs, 28 mins
Omaha, NE	764	10 hrs, 40 mins
Pierre, SD	431	6 hrs, 12 mins
Pocatello, ID	529	8 hrs, 12 mins
Provo, UT	574	9 hrs, 0 mins
Pueblo, CO	536	7 hrs, 35 mins
Rapid City, SD	244	3 hrs, 22 mins
Salt Lake City, UT	555	8 hrs, 35 mins
Scottsbluff, NE	322	5 hrs, 6 mins

5. **Air service to/from Sheridan County is provided through the Sheridan County Airport, positioned to the south of downtown Sheridan.** Service is provided by Big Sky Airlines, offering three non-stop flights daily to Denver, CO.
 - Alternative service within Wyoming is available in Casper and Cheyenne, located 147 and 326 miles from Sheridan, respectively. (Refer to Exhibit A-11 in Appendix A).
 - The Billings Logan International Airport in Billings, Montana (132 miles northwest of Sheridan) provides non-stop daily service to hub airports including: Denver, CO; Minneapolis/St. Paul, MN; Portland, OR; Salt Lake City, UT; and Seattle/Tacoma, WA.
6. **Sheridan is located within the Mountain Time Zone and observes Daylight Savings Time.**

FIGURE 1
SHERIDAN COUNTY IN THE CONTEXT OF THE WESTERN UNITED STATES



FIGURE 2
SHERIDAN COUNTY IN THE CONTEXT OF WYOMING

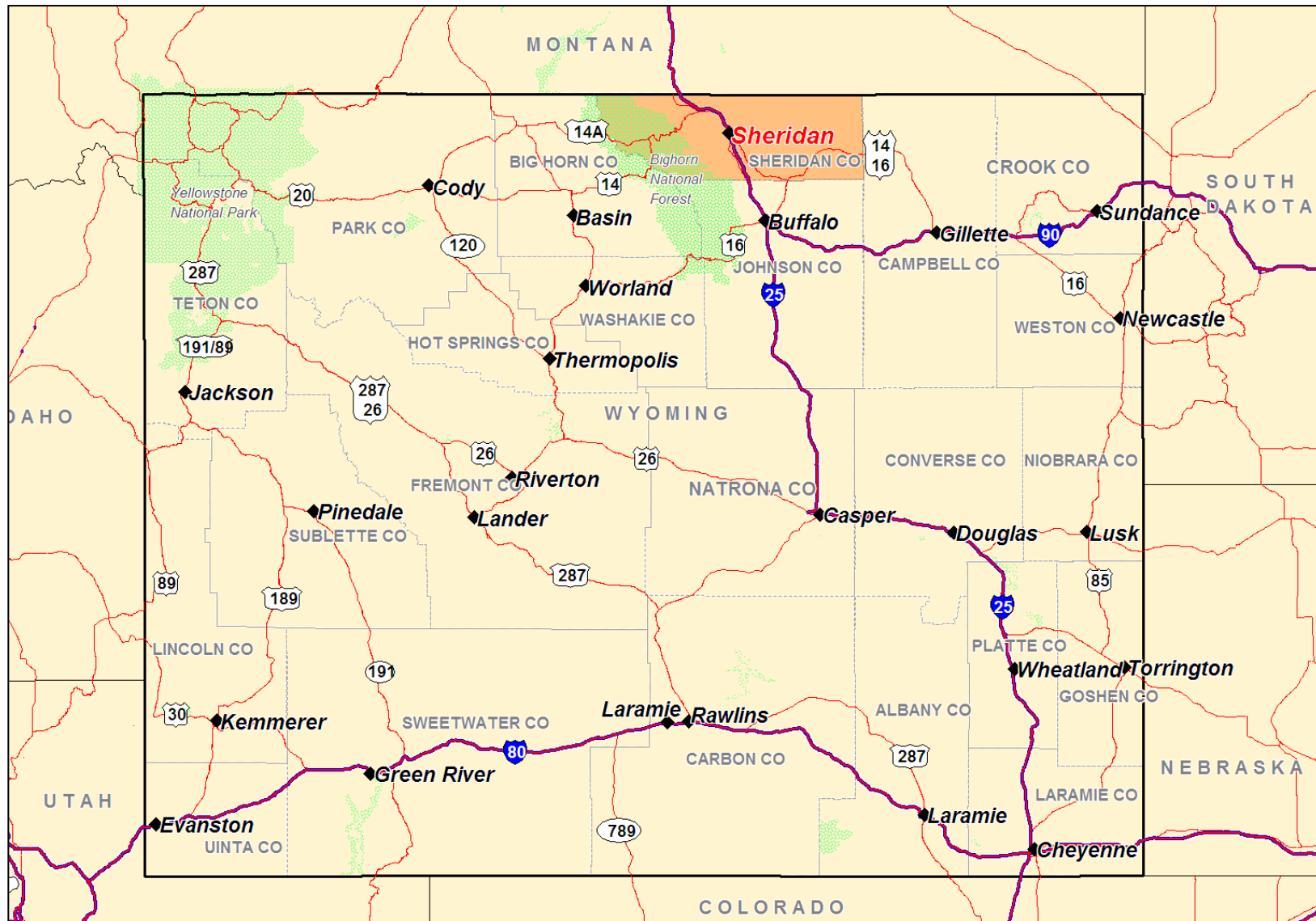
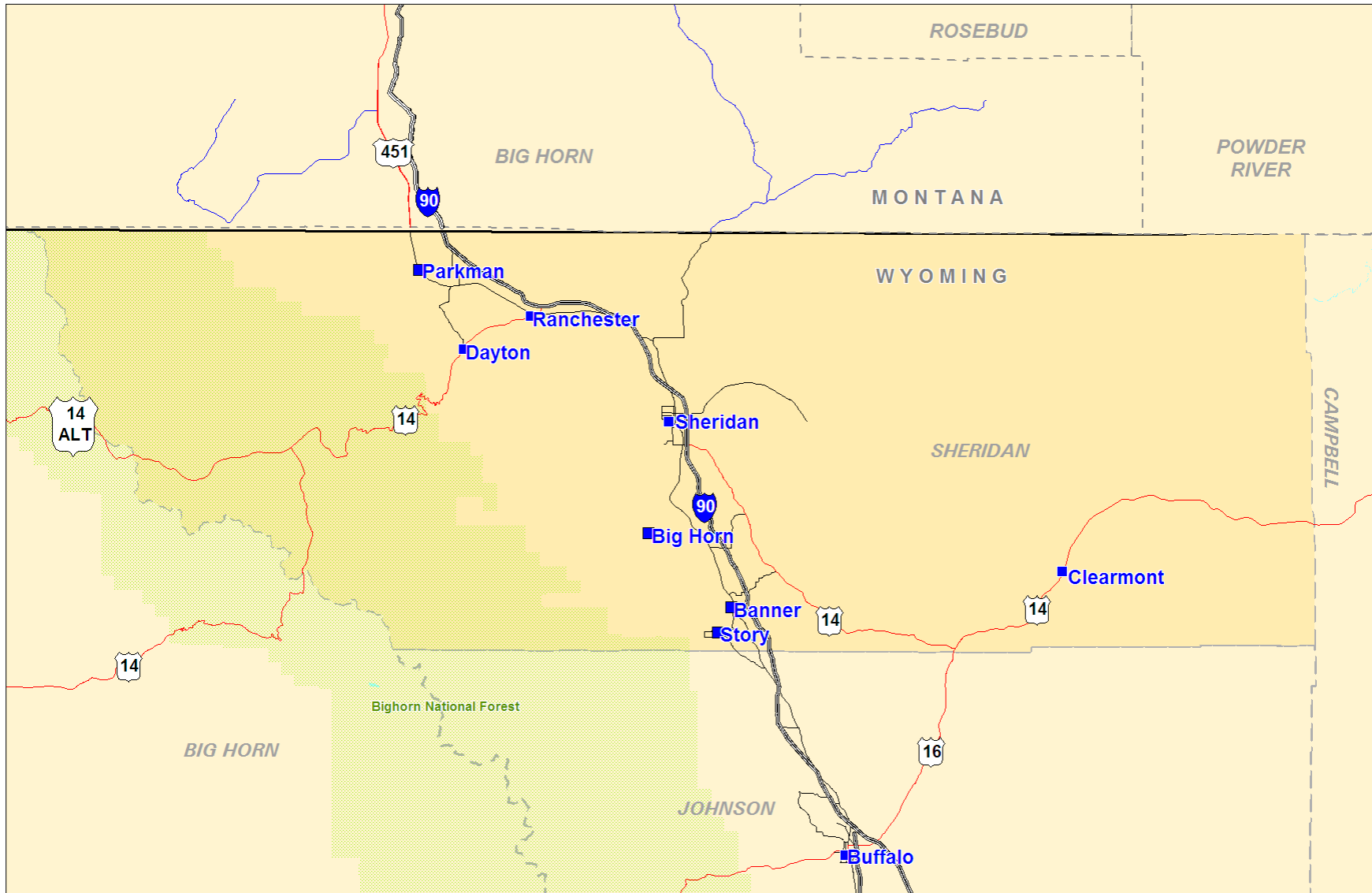


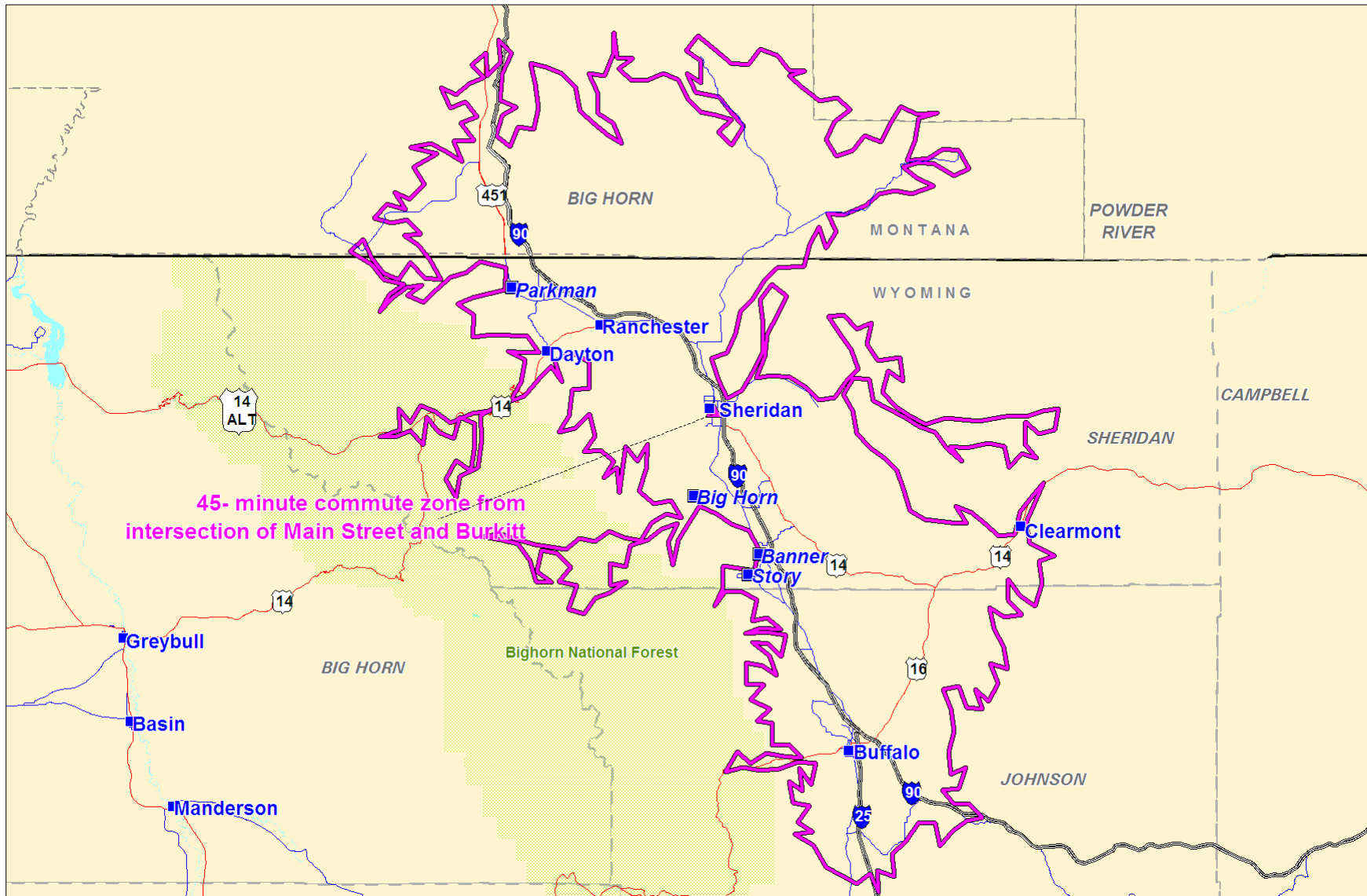
FIGURE 3
SHERIDAN COUNTY COMMUNITIES



Labor Availability

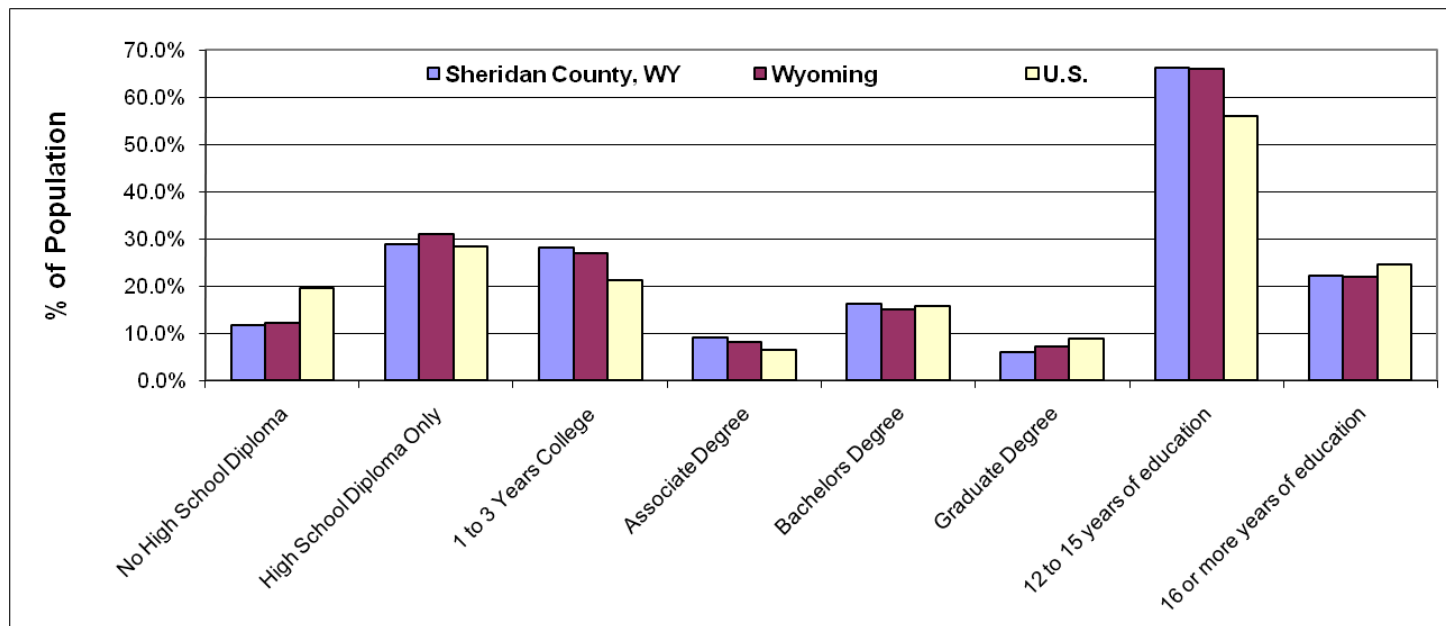
1. **Sheridan County has a modestly-sized population base (27,337 residents) that, over the last six years, has grown more slowly than the State of Wyoming and U.S. averages.** Between 2000 and 2006, Sheridan County's population grew by 2.9%, adding 777 residents, while Wyoming and the nation grew by 3.8% and 5.9%, respectively.
 - The population base within the 45-minute commute zone of Main Street in the City of Sheridan reached 33,198 residents in 2006, having expanded by 4.3% between 2000 and 2006.
 - As shown in Figure 4, the 45-minute commute zone extends northward into Big Horn County, Montana; eastward to Clearmont, and southward into northern Johnson County, and includes the community of Buffalo.
2. **Sheridan County's population is projected to grow more slowly than the State of Wyoming and national averages between 2006 and 2011.** Projections based on Claritas demographic data indicate that Sheridan County's population will expand by 681 net residents, reflecting a growth rate of 2.5%. Sheridan County's growth will lag behind the Wyoming (3.4%) and U.S. (4.8%) average rates.
3. **Sheridan County's labor force grew by 6.4% between 2000 and 2006, and the number and percentage of unemployed residents declined.** The county's unemployment rate stood at 3.2% in 2006, at parity with Wyoming (3.2%) and below the national average (4.6%).
 - The Sheridan County unemployment rate for January 2007 was 3.9%, higher than the Wyoming average (2.6%), and lower than the national (4.6%) average.
 - Labor-force participation is high in Sheridan County (66.3% vs. 64.0% nationally), which indicates limited additional workers that would be drawn into and actively participate in the local labor market.
4. **Sheridan County's population and workforce are aging faster than the nation.** The region has an older population relative to Wyoming and the nation. In 2006, the median age in Sheridan County was 42.7 years, versus 38.2 years in Wyoming and 36.4 years in the U.S. Claritas forecasts show that the Sheridan County median age will increase by 2.3 years between 2006 and 2011, compared to 1.2 years for the nation.
 - Importantly, forecasts show an 8.3% increase in the number of residents aged 18 to 34 years between 2006 and 2011, a key sector of the workforce, and a critical population sector for replacing retiring individuals and growing the workforce base. This increase is higher than the 2.6% national average.

FIGURE 4
45-MINUTE COMMUTE ZONE FROM DOWNTOWN SHERIDAN



- The number of residents aged 35 to 54, however, is declining in both Sheridan County and Wyoming, at 9.2% and 6.7%, respectively. The nation is projected to gain just 0.6% during the five-year period.
 - The number of residents age 55 and over is increasing, while the number of residents under age 17 and between the ages of 35 and 54 are decreasing, leading to an increase in the median age.
 - Approximately 88% of employers responding to the WDG survey report that up to 5% of their current workforce is presently eligible for retirement. 11% of survey respondents indicate that at least 10% of their current employees are eligible for retirement.
5. **Sheridan County has high educational levels.** In 2006, according to Claritas, 88.2% of Sheridan County’s population had at least a high school diploma. This is higher than the state (87.9%), and considerably higher than the national average (80.6%). See Figure 5 or Exhibit A-1.
- The percentage of Sheridan County residents with 12 to 15 years of education (66.1%) is considerably higher than the national average (56.0%), as is the percentage of residents with a bachelor’s degree (16.1% vs. 15.7% nationally).
 - The concentration of Sheridan County residents achieving a graduate degree (6.1%), however, lags behind Wyoming (7.0%) and the nation (8.9%).

FIGURE 5
EDUCATIONAL ATTAINMENT FOR SHERIDAN COUNTY, WYOMING, AND THE U.S. (2006)
 Source: Claritas



6. **Household incomes in Sheridan County are lower than Wyoming and national averages.** In 2006, the median household income in the county (\$41,433) was 10% lower than the Wyoming average (\$45,724) and 15% lower than the national average (\$48,775).
 - According to Claritas, 42.7% of county households earn less than \$35,000 annually, compared to 37.9% in Wyoming and 35.6% nationally. Normally, WDG has found that the higher the percentage of households earning less than \$35,000, the more likely it is to have residents interested in upgrading their jobs and career advancement, working a second job, or working as a second-income earner.
 - Between 2006 and 2011, median household incomes in the county are projected to grow at a slower rate (10.1%) versus the U.S. (10.7%), showing a relative stability in area income versus the nation. Median household incomes in Wyoming are projected to increase at 11.1%, a higher rate than the nation.
7. **The dominant industry sectors (by number employed) in Sheridan County are health care/social assistance, retail trade, construction, agriculture/forestry/fishing/hunting/mining, educational services, accommodation/food services, and other services (except public administration).** As seen in Table 6, each of these industry sectors employs a higher concentration of workers than the nation. Employment in *administrative support/waste management services, finance/insurance/real estate, information, manufacturing, and wholesale trade* lags behind national averages.

TABLE 6
PERCENT EMPLOYMENT BY INDUSTRY FOR SHERIDAN COUNTY, WYOMING, AND THE U.S. (2006)
 Source: Claritas

Industry Sector	Sheridan County		Wyoming	U.S.
	Number	Pct.		
Total	14,192	100%	100%	100%
<i>Sheridan County Industry Sectors that Match or Exceed National Ratios in Employment</i>				
Accommodation/Food Services	1,097	7.7%	7.7%	6.0%
Agriculture/Forestry/Fishing/Hunting/Mining	1,401	9.9%	11.0%	1.9%
Construction	1,424	10.0%	8.7%	6.9%
Educational Services	1,393	9.8%	10.7%	8.7%
Health Care/Social Assistance	2,038	14.4%	10.6%	11.1%
Other services (excl. Public Admin.)	871	6.1%	4.9%	4.8%
Retail Trade	1,694	11.9%	11.7%	11.7%
<i>Sheridan County Industry Sectors that Lag National Ratios in Employment</i>				
Administration/Support/Waste Management Services	197	1.4%	2.2%	3.4%
Arts/Entertainment/Recreation	223	1.6%	1.8%	1.8%
Finance/Insurance/Real Estate	825	5.8%	4.7%	6.9%
Information	256	1.8%	2.2%	3.1%
Manufacturing	481	3.4%	4.8%	14.1%
Management of Companies/Enterprises	1	0.0%	0.0%	0.1%
Professional/Scientific/Technical Services	773	5.4%	3.7%	5.9%
Public Administration	533	3.8%	6.3%	4.8%
Transportation/Warehousing/Utilities	704	5.0%	6.6%	5.2%
Wholesale Trade	281	2.0%	2.3%	3.6%

8. The top five occupations in Sheridan County (by number employed) are *office/administrative support, sales/related, construction/extraction, management (including farmers/farm management), and transportation/material moving*. As seen in Table 7, Sheridan County's employment exceeds national employment levels in the following occupations: *building/grounds cleaning/maintenance, community/social services, construction/extraction, education/training/library, farming/fishing/forestry, food preparation/serving related, health care practitioner/technician, healthcare support, installation/maintenance/repair, life/physical/social science, personal care/service, and transportation/material moving*. The occupational distribution follows the trends in industry employment demonstrated in Table 7.

**TABLE 7
PERCENT EMPLOYMENT BY OCCUPATION FOR SHERIDAN COUNTY, WYOMING, AND THE U.S. (2006)**

Source: Claritas

Occupation	Sheridan County		Wyoming	U.S.
	Number	Pct.		
Total	14,192	100%	100%	100%
<i>Sheridan County Occupational Groups that Match or Exceed National Ratios in Employment</i>				
Building/Grounds Cleaning/Maintenance	519	3.7%	3.8%	3.2%
Community/Social Services	397	2.8%	1.6%	1.5%
Construction/Extraction	1,426	10.0%	9.4%	5.5%
Education/Training/Library	852	6.0%	6.5%	5.7%
Farming/Fishing/Forestry	261	1.8%	1.6%	0.7%
Food Preparation/Serving Related	908	6.4%	5.9%	4.7%
Healthcare Practitioner/Technician	809	5.7%	3.9%	4.6%
Healthcare Support	366	2.6%	2.0%	2.0%
Installation/Maintenance/Repair	640	4.5%	5.4%	4.0%
Life/Physical/Social Science	171	1.2%	1.2%	0.9%
Personal Care/Service	465	3.3%	2.9%	2.8%
Transportation/Material Moving	907	6.4%	7.5%	6.1%
<i>Sheridan County Occupational Groups that Lag National Ratios in Employment</i>				
Architecture/Engineering	211	1.5%	1.7%	2.1%
Arts/Design/Entertainment/Sports/Media	218	1.5%	1.5%	1.9%
Business Operations Specialists	194	1.4%	1.2%	2.1%
Financial Specialists	288	2.0%	1.6%	2.2%
Computer and Mathematical	61	0.4%	0.8%	2.5%
Legal	112	0.8%	0.8%	1.1%
Management including Farmers/Farm Managers	1,268	8.9%	9.4%	9.3%
Office/Administrative Support	1,952	13.8%	13.9%	15.4%
Production	557	3.9%	5.3%	8.4%
Protective Services	155	1.1%	1.8%	2.0%
Sales/Related	1,455	10.3%	10.3%	11.3%

9. According to Sheridan and Johnson County employers, there is borderline-satisfactory to satisfactory availability of just three of the 18 occupations for which sufficient data was received from the employer survey. Among the 18 occupations, two (17%) of these can be satisfactorily recruited (median score of 3.0 or better; average score of 2.7 or better). (Refer to Table 8, and Exhibit B1-3 in Appendix B1).

TABLE 8
SELECT OCCUPATIONS WITH BORDERLINE-SATISFACTORY AVAILABILITY
AS REPORTED BY SHERIDAN AND JOHNSON COUNTY EMPLOYERS
 (5=Plentiful; 1=Unavailable)

Source: WDG Employer Survey, Summer 2006

Occupation	Employers Responding	Average Score	Median Score
Office and Administrative Support Occupations	9	3.2	3.0
Architecture and Engineering Occupations	2	3.0	3.0
Protective Service Occupations	3	2.7	3.0

10. Among the 18 occupations for which sufficient information was received, surveyed employers rated eight (44%) as difficult to staff. The eight occupations have tight labor availability (median score of 2.0 – 2.5; average scores ranging from 1.7 to 2.5), and include a variety of low- to high-skilled occupations. (Refer to Table 9, and Exhibit B1-3 in Appendix B1). The cost and availability of housing and spousal employment opportunities are major recruiting deterrents.

TABLE 9
SELECT OCCUPATIONS WITH TIGHT OR VERY LIMITED AVAILABILITY
AS REPORTED BY SHERIDAN AND JOHNSON COUNTY EMPLOYERS
 (5=Plentiful; 1=Unavailable)

Source: WDG Employer Survey, Summer 2006

Occupation	Employers Responding	Average Score	Median Score
Healthcare Support Occupations	4	2.5	2.5
Community and Social Services Occupations	3	2.0	2.0
Food Preparation and Serving Related Occupations	11	2.1	2.0
Transportation and Material Moving Occupations	4	2.5	2.0
Healthcare Practitioners and Technical Occupations	7	1.9	2.0
Management Occupations	16	1.8	2.0
Sales and Related Occupations	7	1.9	2.0
Building and Grounds Cleaning and Maintenance Operations	10	1.8	2.0

11. Seven (39%) of the 18 occupations for which sufficient information was received are considered extremely difficult to recruit, with few-to-no available candidates. Notably, the construction and extraction industry is among the dominant industry sectors in Sheridan County, and 23 responding employers considered construction and extraction occupations to be difficult to staff. The seven occupations with very-difficult availability received ratings with a median score of 1.0 – 1.5 and average scores ranging from 1.0 to 1.5. (Refer to Table 10, and Exhibit B1-3 in Appendix B1).

**TABLE 10
SELECT OCCUPATIONS CONSIDERED EXTREMELY DIFFICULT TO RECRUIT
AS REPORTED BY SHERIDAN AND JOHNSON COUNTY EMPLOYERS**

(5=Plentiful; 1=Unavailable)

Source: WDG Employer Survey, Summer 2006

Occupation	Employers Responding	Average Score	Median Score
Construction and Extraction Occupations	22	1.2	1.0
Arts, Design, Entertainment, Sports, and Media Occupations	2	1.0	1.0
Installation, Maintenance, and Repair Occupations	3	1.0	1.0
Production Occupations	2	1.0	1.0
Business and Financial Operations Occupations	2	1.5	1.5
Personal Care and Service Occupations	3	1.3	1.0
Farming, Fishing and Forestry Occupations	3	1.3	1.0

12. **Employers report great difficulty recruiting managers and professional talent from outside the region.** Employers report a median rating of 1.0 and an average rating of 1.8 (on a scale where 1=unable to recruit and 5=easily recruited) on their ability to relocate talent from outside the region. (Refer to Exhibit B1-1, in Appendix B1).
- Employers report limited employment opportunities for “trailing” spouses, though there are typically positions available in healthcare-related fields. Employers provide a median score of 2.0 and an average score of 2.4 on the availability of jobs for spouses who relocate with their husband/wife/partner/significant other.
 - The quality of life as perceived by job candidates is an asset when recruiting employees. Employers report a median score of 4.0 and an average score of 3.5 on the quality of life as perceived by job candidates from outside the area.
 - The availability, quality, and cost of housing as a factor in job acceptance by relocates is considered a deterrent, receiving a median score of 3.0 and an average score of 2.7. Interviewed employers report that the cost of housing in the region has escalated in recent years, limiting the supply of housing affordable to low- and middle-income earners.
13. **Sheridan and Johnson County employers report that an average of 20.9% and a median of 15.0% of sales volume is lost because of job shortages.** Tight labor-force supplies are currently limiting some responding employers’ ability to expand.
14. **The shortage of labor may also impact the ability of existing employers to meet their projected human-resource needs.** Notably:
- 16.3% of responding employers report they will expand employment by five percent or more over the next twelve months.
 - Over the next 24 months, 18.4% of employers anticipate employment growth of five percent or more, with 13.4% expanding employment from two to five percent.
 - Job growth over the next 36 months of five percent or more is reported by 17.4% of responding employers.
15. **Over half of the employers responding to the WDG survey use the Wyoming Department of Workforce Services centers to help in the recruitment efforts.** The local workforce center is used by 50.3% of survey respondents to assist in recruiting, indicative

of the above-average reliance on these services as a clearinghouse for available Sheridan County job openings and employee referral services.

- 16. **Sheridan and Johnson Counties have a modestly-sized hidden labor supply of approximately 8,338 residents (age 18 to 74).** This hidden labor supply consists of underemployed residents, residents not currently employed but interested in working, and recent college graduates, as shown in Table 11.

TABLE 11
SHERIDAN AND JOHNSON COUNTIES' HIDDEN LABOR FORCE:
UNDER-EMPLOYED, NOT-EMPLOYED, AND COLLEGE STUDENTS
 Source: YA Residential Survey, Summer 2006

	# of Residents	Hidden Labor
Employed	16,797	-
Employed but feel underemployed	-	3,220
Not Currently Employed	5,439	
Not employed but interested in work	-	4,921
Recent College Graduate	-	197
Total Projected Hidden Labor Supply	-	8,338

- The not-employed. There are an estimated 4,921 not-employed residents who are interested in employment. This represents 90.5% of the not-employed residents, including unemployed residents and residents not participating in the workforce. Of these residents, 63.2% (3,108) would prefer full-time employment.
- The underemployed. Using the household survey results, WDG estimates that there are 3,220 working-age residents in Sheridan and Johnson Counties who are underemployed. This total represents 19.2% of all employed residents.
- College graduates. Another component of the labor force that may be under-used is recent Sheridan College graduates. This post-secondary institution offers certificate and associate degree programs, and graduates approximately 197 students annually, many of whom have skills of interest to local employers or have skills-retraining potential.
- As an additional asset, the employed and not-employed are interested in continuing education and training. Based on the WDG/YA survey results, 30.9% of employed residents and 42.1% of the not-employed residents are interested in job training to upgrade their skills. This equates to an estimated 7,270 residents (5,198 employed and 2,072 not-employed).

- 17. **WDG estimates from its household survey data and population data that there are approximately 4,921 residents ages 18 to 74 that are not presently employed but are interested in employment.** The not-employed are a promising resource to ease the tight employment conditions.

- Among not-employed residents interested in working, 36.9% are under the age of 35, indicating a modest pool of younger workers who would welcome improved job opportunities. A majority of not-employed residents interested in employment are over the age of 35. See Table 12.

TABLE 12
AGE DISTRIBUTION OF NOT-EMPLOYED RESIDENTS INTERESTED IN WORKING
 Source: YA Residential Survey, Summer 2006

Age	Percentage	Number
18-24	21.1%	1,036
25-34	15.8%	777
35-44	10.5%	518
45-54	31.6%	1,554
55-64	21.1%	1,036
65-74	0.0%	0
Total	100%	4,921

- Education levels among not-employed residents interested in working are solid, with 94.7% of respondents reporting a high school diploma/GED or higher. Roughly 52.7% of residents have some post-secondary training, including associate's, bachelor's, and graduate degrees. (Refer to Table 13).

TABLE 13
EDUCATIONAL ATTAINMENT OF NOT-EMPLOYED RESIDENTS INTERESTED IN WORKING
 Source: YA Residential Survey, Summer 2006

Highest Grade Level Completed	Percentage	Number
8th grade or lower	0.0%	-
Some high school	5.3%	259
High school graduate or equivalent	42.1%	2,072
Some technical or vocational school	0.0%	-
Some college, no degree	31.6%	1,554
Technical/Vocational certificate	0.0%	-
Associates degree	5.3%	259
Bachelors degree	5.3%	259
Postgraduate study, but no degree	0.0%	-
Graduate degree	10.5%	518
Total	100%	4,921

- The top reasons not-employed residents interested in employment give for not working is that they are unable to find a suitable job or that there are other undisclosed reasons for not working. These reasons are followed by raising a family, retirement, and attending school. See Table 14.

**TABLE 14
REASONS FOR NON-EMPLOYMENT AMONG RESIDENTS NOT IN THE WORKFORCE
BUT INTERESTED IN EMPLOYMENT**

Source: YA Residential Survey, Summer 2006

Reason Not Working	Percentage	Number
Other	35.3%	1,737
Can't find a suitable job	29.4%	1,447
Raising a family	17.6%	868
Retired	11.8%	579
Attending school	5.9%	289
Disabled	0.0%	-
Not looking for employment	0.0%	-
Total	100%	4,920

- Roughly 63% of the area’s not-employed residents who are interested in working do not have limitations to entering the workforce. Table 15 shows those limitations residents have which will impact their ability to work. Among those that do have limitations, the most frequently mentioned is childcare needs (26.3%), representing a significant number of the not-employed residents.

**TABLE 15
LIMITATIONS TO WORKING AMONG RESIDENTS NOT IN THE WORKFORCE
BUT INTERESTED IN EMPLOYMENT**

Source: YA/WDG Residential Survey, Summer 2006

Limitation	Percentage	Number
No Limitations	63.2%	3,108
Childcare needs	26.3%	1,295
Lack of transportation	5.3%	259
Housing	5.3%	259
Lack of jobs in your field of education/training	5.3%	259
A disability	0%	-
Other	0%	-
Total	105%*	-

* Total exceeds 100% due to multiple responses

- The occupational skill base of the region’s not-employed residents who are interested in working is somewhat diverse. Table 16 outlines the largest occupational skill groups within this sector of the population. As shown, *construction and extraction occupations, management occupations, and business and financial operations occupations* constitute the largest categories of skills, accounting for 22.2%, 16.7%, and 11.1%, respectively, of the not-employed-but-interested skills base.

TABLE 16
LEADING OCCUPATIONAL SKILLS OF NOT-EMPLOYED RESIDENTS INTERESTED IN EMPLOYMENT
 Source: YA Residential Survey, Summer 2006

Occupational Skills	Percentage	Number
Construction and Extraction Occupations	22.2%	1,094
Management Occupations	16.7%	820
Business and Financial Operations Occupations	11.1%	547
Community and Social Services Occupations	5.6%	273
Food Preparation and Serving Related Occupations	5.6%	273
Building and Grounds Cleaning and Maintenance Operations	5.6%	273
Personal Care and Service Occupations	5.6%	273
Sales and Related Occupations	5.6%	273
Office and Administrative Support Occupations	5.6%	273
Transportation and Material Moving Occupations	5.6%	273
Total:	100%	4,918

- Less than half of Sheridan and Johnson Counties' not-employed residents interested in employment would like to receive job training. In total, 2,072 not-employed residents interested in working would like additional training. Based on WDG's experiences in other communities, the proportion of not-employed residents interested in job training is less than typical (over 50% or higher). (Refer to Table 17).

TABLE 17
JOB TRAINING INTEREST AMONG NOT-EMPLOYED RESIDENTS INTERESTED IN WORKING
 Source: YA Residential Survey, Summer 2006

Interest	Percentage	Number
Interested in job training	42.1%	2,072
Not interested in job training	57.9%	2,849
Total	100%	4,921

- Not-employed residents interested in employment report a desire for training in *computer and mathematical training* (computer training may also include basic software and computer familiarization training), and *office and administrative support occupations*. Table 18 identifies several other occupations for which training is desired.

**TABLE 18
PREFERENCE FOR TRAINING AMONG SHERIDAN AND JOHNSON COUNTIES' NOT-EMPLOYED BUT INTERESTED IN
EMPLOYMENT**

Source: YA Residential Survey, Summer 2006

Occupation	Percentage	Number
Computer and Mathematical Occupations	18.2%	377
Office and Administrative Support Occupations	18.2%	377
Management Occupations	9.1%	188
Community and Social Services Occupations	9.1%	188
Education, Training, and Library Occupations	9.1%	188
Healthcare Support Occupations	9.1%	188
Food Preparation and Serving-Related Occupations	9.1%	188
Production Occupations	9.1%	188
Total	100%	2,070

18. **Approximately 3,220 (19.2%) currently-employed residents consider themselves underemployed; i.e., qualified for better positions than they currently hold because of experience, training, or education.** Refer to the demographic profile on underemployed residents in Appendix C for additional details on the underemployed component of the workforce. As can be seen in the Tables 19 through 21, the underemployed component of the workforce is relatively young and well educated.

- Among underemployed residents, 31.4% are under the age of 35, indicating a relatively small pool of younger residents who welcome improved job opportunities. Notably, there is a high concentration of residents (56.9%) between the ages of 35 and 54 who consider themselves underemployed, and there may be opportunities for skills enhancement or additional skills training to meet employer staffing demands. See Table 19.

**TABLE 19
AGE DISTRIBUTION OF UNDEREMPLOYED RESIDENTS**

Source: YA Residential Survey, Summer 2006

Age	Percentage	Number
18-24	5.9%	189
25-34	25.5%	821
35-44	21.6%	695
45-54	35.3%	1,136
55-64	9.8%	316
65-74	2.0%	63
Total	100%	3,220

- The underemployed residents are well educated. 98.0% have at least a high school diploma, while 62.7% have a high school diploma and/or some post-secondary training less than a four-year degree. 25.5% have a bachelor's degree. See Table 20.

TABLE 20
EDUCATIONAL ATTAINMENT OF UNDEREMPLOYED RESIDENTS
 Source: YA Residential Survey, Summer 2006

Highest Grade Level Completed	Percentage	Number
8th grade or lower	0.0%	-
Some high school	2.0%	63
High school graduate or equivalent	23.5%	758
Some technical or vocational school	0.0%	-
Some college, no degree	21.6%	695
Technical/Vocational certificate	7.8%	253
Associates degree	9.8%	316
Bachelors degree	25.5%	821
Postgraduate study, but no degree	2.0%	63
Graduate degree	7.8%	253
Total	100%	3,222

- The occupational skill base of underemployed residents is diverse. Table 21 outlines the largest occupational skill groups for which underemployed residents have received specialized training. As shown, *architecture and engineering occupations*, *office and administrative support occupations*, and *production occupations* constitute the largest category of skills, accounting for 14.3%, 14.3%, and 10.2% respectively, of the underemployed skill base.

TABLE 21
LEADING OCCUPATIONAL SKILLS OF UNDEREMPLOYED RESIDENTS
 Source: YA Residential Survey, Summer 2006

Occupational Skills	Percentage	Number
Architecture and Engineering Occupations	14.3%	460
Office and Administrative Support Occupations	14.3%	460
Production Occupations	10.2%	329
Construction and Extraction Occupations	6.1%	197
Transportation and Material Moving Occupations	6.1%	197
Management Occupations	6.1%	197
Life, Physical, and Social Science Occupations	6.1%	197
Healthcare Practitioners and Technical Occupations	6.1%	197
Healthcare Support Occupations	6.1%	197
Education, Training, and Library Occupations	6.1%	197
Computer and Mathematical Operations	4.1%	131
Community and Social Services Occupations	4.1%	131
Installation, Maintenance, and Repair Occupations	4.1%	131
Protective Services Occupations	2.0%	66
Food Preparation and Serving Related Occupations	2.0%	66
Total:	100%	3,219

19. **Approximately one-third of the region’s employed residents would like to enhance their job skills through training—a level of interest notably lower than WDG’s experiences in other communities, where 50% or higher are typically interested in training.** Returns from the Younger Associates residential survey show that 30.9% of employed residents would be interested in receiving job training to acquire new jobs skills for career development, which amounts to approximately 5,198 residents (see Table 22). These individuals would present a potential workforce for existing and new companies offering career advancement and training opportunities.

TABLE 22
JOB TRAINING INTEREST AMONG EMPLOYED RESIDENTS
 Source: YA Residential Survey, Summer 2006

Interest	Percentage	Number
Interested in job training	30.9%	5,198
Not interested in job training	69.1%	11,599
Total	100%	16,797

- Employed residents interested in receiving training to acquire new job skills report a desire for training in *computer and mathematical operations, healthcare practitioners and technical occupations, and community and social service occupations.* Table 23 identifies several other occupations for which training is desired.

TABLE 23
PREFERENCE FOR TRAINING AMONG EMPLOYED RESIDENTS
 Source: YA Residential Survey, Summer 2006

Occupation	Percentage	Number
Computer and Mathematical Operations	17.3%	901
Healthcare Practitioners and Technical Occupations	13.3%	693
Community and Social Services Occupations	8.0%	416
Management Occupations	6.7%	347
Arts, Design, Entertainment, Sports, and Media Occupations	6.7%	347
Office and Administrative Support Occupations	5.3%	277
Production Occupations	5.3%	277
Business and Financial Operations Occupations	5.3%	277
Education, Training, and Library Occupations	5.3%	277
Protective Services Occupations	5.3%	277
Construction and Extraction Occupations	4.0%	208
Healthcare Support Occupations	4.0%	208
Installation, Maintenance, and Repair Occupations	4.0%	208
Architecture and Engineering Occupations	4.0%	208
Transportation and Material Moving Occupations	4.0%	208
Personal Care and Service Occupations	2.7%	139
Sales and Related Occupations	1.3%	69
Farming, Fishing, and Forestry Occupations	1.3%	69
Total	100%	5,198

20. Of the 197 firms responding to the WDG employer survey, 108 operations reported a current need for 273 workers in a variety of occupations. Table 24 details the current employer demand for additional workers, and an immediate need is indicated for 70 workers in construction and extraction occupations.

TABLE 24
NUMBER OF WORKERS CURRENT NEEDED BY SURVEYED EMPLOYERS
 Source: WDG Employer Survey, Summer 2006

Occupation	# Responses	Total # Workers Currently Needed
Construction and Extraction Occupations	23	70
Sales and Related Occupations	7	41
Building and Grounds Cleaning and Maintenance Operations	11	32
Healthcare Practitioners and Technical Occupations	7	20
Food Preparation and Serving Related Occupations	13	17
Management Occupations	10	16
Arts, Design, Entertainment, Sports, and Media Occupations	3	14
Office and Administrative Support Occupations	8	11
Protective Service Occupations	3	9
Transportation and Material Moving Occupations	4	7
Farming, Fishing, and Forestry Occupations	3	7
Installation, Maintenance, and Repair Occupations	4	6
Community and Social Services Occupations	3	4
Healthcare Support Occupations	2	3
Architecture and Engineering Occupations	2	2
Production Occupations	1	2
Business and Financial Operations Occupations	1	1
Legal Occupations	1	1
Total:	108	273

Labor Quality

- Employers report that the level of basic skills seen among job applicants is borderline satisfactory.** As seen in Table 25, the median score (on a five-point scale where 1=poor and 5=excellent) for all basic skills was 3.0 (satisfactory); however, the average score was 2.7 (borderline satisfactory). *Verbal communication/comprehension* and *team and cooperative skills* received satisfactory scores (median scores of 3.0 and average scores of 3.0). (Refer to Table 25 below).

 - Arithmetic/math, written communication, thinking and judgment, and reading comprehension* skills received borderline-satisfactory scores (median scores of 3.0 and average scores ranging from 2.6 to 2.9).
 - Approximately 58% of surveyed employers report they commonly see basic skills deficiencies among job applicants.
- Surveyed employers report an excellent work ethic and good levels of productivity among employees.** *Work ethic* received an excellent rating (median score of 5.0 and an average score of 4.2). *Overall employer/employee relations* received good-to-very-

good ratings (median scores of 4.0 and average scores of 3.7). Satisfactory scores were received for *productivity, productivity compared to that of company's other sites, willingness to work overtime, and punctuality* (median scores of 3.0 and average scores ranging from 3.2 to 3.3). Refer to Table 25, and Exhibit B1-1 in Appendix B1.

**TABLE 25
EMPLOYER RATINGS ON LABOR QUALITY MEASURES
(1=Poor; 5=Excellent)**

Source: WDG Employer Survey, Summer 2006

Basic Skills of Job Applicants	Average Score	Median Score
Overall basic skills of all applicants	2.7	3.0
Written Communication	2.6	2.0
Reading Comprehension	2.9	3.0
Arithmetic/Math	2.7	3.0
Thinking and Judgment	2.7	3.0
Verbal Communication/Comprehension	3.0	3.0
Team & Cooperative Skills	3.0	3.0
Productivity and Work Ethic		
Work Ethic	4.2	5.0
Productivity	3.2	3.0
Productivity Compared to Company's Other Sites	3.3	3.0
Willingness to Work Overtime	3.2	3.0
Punctuality	3.3	3.0
Overall Employer/Employee Relations	3.7	4.0

3. **Pre-employment drug screening is conducted by 25% of employers responding to the WDG survey.** Respondents report that drug screening has a low-to-moderate impact (a median score of 3.0 and an average score of 2.7, where 1=no impact and 5=severe impact) on their operation's ability to hire workers.
 - Additionally, 21.3% of responding employers conduct periodic drug testing of current employees, with a low-to-moderate impact (a median score of 3.0 and an average score of 2.2) on their operation's ability to retain workers.

Labor Cost

1. **Average private-sector industry earnings in Sheridan County are lower than Wyoming and national averages.** Sheridan County's overall earnings are roughly 85% of Wyoming average earnings, and approximately 70% of the national average. (Refer to Table 26).
 - Within the county's business sectors, average earnings were highest in *management of companies and enterprises* (\$49,273), *mining* (\$45,130), and *finance and insurance* (\$43,730); but average earnings remained below the national average earnings in these industry sectors. Only in the *administrative support, waste management, and remediation services industry sector* did

Sheridan County average earnings exceed the national average (\$30,371 vs. \$27,049 nationally). Average earnings are detailed in Exhibit A-7 in Appendix A.

TABLE 26
AVERAGE ANNUAL EARNINGS, 2004
 Source: U.S. Department of Commerce County Business Patterns

Area	Average Annual Wage
Sheridan County	\$25,731
Wyoming	\$30,404
U.S.	\$36,967

2. **Table 27 shows that wages for specific occupations in Sheridan County are approximately 13% to 19% lower than the U.S. figures.** Wages are presented below, and in Exhibit A-8 in Appendix A.

TABLE 27
MEDIAN ANNUAL EARNINGS BY SELECTED BENCHMARK OCCUPATIONS
 Source: SalarySource.com, 2006

Occupation Description	Sheridan County	U.S.	Sheridan County as % of U.S.
Accounting Clerk	\$26,126	\$31,409	83.2%
Assistant, Administrative	\$32,097	\$39,537	81.2%
Civil Engineer	\$55,628	\$66,481	83.7%
Computer Programmer	\$45,014	\$54,591	82.5%
Electronics Assembler	\$22,641	\$25,977	87.2%
Electronics Technician	\$32,136	\$39,705	80.9%
Engineering Technician, Mechanical	\$36,561	\$44,748	81.7%
Machinist General	\$31,989	\$39,367	81.3%
PC/Microcomputer Specialist	\$46,520	\$56,510	82.3%
Secretary, Administrative	\$28,215	\$34,571	81.6%
Analyst, Systems	\$60,961	\$72,718	83.8%
Tool & Die Maker	\$39,640	\$48,147	82.3%

3. **On average, the wages for which not-employed residents are willing to work are moderate, but slightly exceed the Sheridan County average.** Not-employed residents interested in employment would be willing to enter the workforce for an average salary of \$25,822 (\$12.41/hr.), exceeding the Sheridan County average annual wage of \$25,731 (\$12.37/hr.).
4. **Residents who consider themselves underemployed would be willing to accept a new position for an average annual salary of \$56,324 (\$27.08/hr), considerably higher than the Sheridan County average.** Additionally, the median annual salary for which underemployed residents would be willing to work is \$45,000, considerably higher than the Sheridan County average annual wage of \$25,731. Notably, the underemployed residents have higher educational attainment levels than the Sheridan County averages for

those with post-secondary educational participation (e.g., some technical or vocational school, some college, associate’s degrees, bachelor’s degrees, and postgraduate studies).

5. **Among not-employed residents that are interested in working, insurance plays a very modest role in whether or not they will accept a job.** Just 11.8% of respondents reported that insurance must be paid for by the employer, and 23.5% indicated that the employer must make insurance available at a reasonable cost. 64.7% indicated that they would accept a job without insurance.
6. **Less than half (46.4%) of responding employers provide health insurance options for their employees’ dependents, as well as a variety of other employee benefits.** Table 28 identifies company benefits and the percentage of firms providing them.
 - Notably, the percentages of responding companies providing on-site daycare and/or daycare subsidies are higher than are typically seen by WDG.

**TABLE 28
COMPANY OFFERED BENEFITS**
Source: WDG Employer Survey, Summer 2006

Benefit	Employer Responses	% Providing Benefit
Partial days off	185	76.8%
Company-sponsored picnics or similar events	175	64.6%
Effective employee suggestion systems	175	62.9%
Health insurance for dependents	181	46.4%
Flextime	180	48.3%
Frequent employee recognition programs	130	39.2%
Tuition reimbursement	129	38.0%
Job sharing	168	24.4%
Telecommuting	167	9.6%
Health club on-site or membership	171	7.0%
On-site daycare	173	3.5%
Daycare subsidy	173	4.0%

Education and Training

1. **The University of Wyoming in Laramie is the largest post-secondary educational institution in Wyoming, enrolling over 13,100 students (including 9,500 undergraduate students) and conferring approximately 2,455 degrees annually.** The University of Wyoming is the only university in the state. Laramie is located in south-central Wyoming, approximately 330 miles south of Sheridan.
2. **Sheridan College (operated by the Northern Wyoming Community College District) is the largest post-secondary educational institution in north-central Wyoming.** Sheridan College consists of a main campus in Sheridan, a commuter campus in Gillette (Campbell County), and outreach centers in Buffalo and Kaycee (both in Johnson County) and in Wright (Campbell County). The college enrolled 2,849 students in 2005 (including 1,200 students at the Gillette campus) in a variety of certificate and

associate’s degree programs. Sheridan College conferred 96 certificates and 227 associate’s degrees between July 2005 and June 2006. (Refer to Exhibit A-10).

- Certificates were conferred in eleven program areas, with at least 10 graduates in the following program areas: practical nursing/LPN training (30); diesel engine mechanic and repairer (20); and massage therapy (11).
- Associates degrees were conferred in 27 program areas, with at least 10 graduates in the following program areas: nursing/RN training (45); general studies (36); general business (34); dental hygienist (19); and teacher education (11).

3. **Approximately 57% of responding employers have formal in-house training programs, most frequently in job-specific, safety, and basic skills training.** Responding employers often use company personnel and on-the-job trainers to conduct employee training.

- Notably, 24.2% of responding employers indicated that they have current training needs that are not available locally. Among the identified training needs are: physical therapy-masters program; advanced horticulture; barber school; CAD, GIS and surveying (GPS); child development/behavior; government contract expertise; customer service and administrative support skills; HVACR technicians; hydraulic mechanics, chrome plating, grinding; insurance-technical; medical/patient care; law enforcement; engineering tech; lawn fertilizing/weed control; propane-specific training; compressors and engines; seed business management; supervisor-leadership; telecommunications; soft skills; technical art of screen-print/embroidery; and veterinary technicians, among others. (Refer to Exhibit B1-7 in Appendix B1).

4. **Sheridan County contains three public school districts containing a total of five public high schools.** In the autumn of 2005, the five high schools enrolled a total of 1,311 students. According to Wyoming Department of Education reports, all five public high schools have met the Adequate Yearly Progress (AYP) requirements set by the state in compliance with the No Child Left Behind (NCLB) federal mandates. (Refer to Table 29).

TABLE 29
SHERIDAN COUNTY PUBLIC HIGH SCHOOLS
 Source: Wyoming Department of Education

School District	Location	Grades	2005 Enrollment	2003-2004 Grad Rate	NCLB AYP Met
<i>Sheridan District #1</i>					
Big Horn High School	Big Horn	9-12	138	94.9%	Yes
Tongue River High School	Dayton	9-12	166	84.2%	Yes
<i>Sheridan District #2</i>					
Fort Mackenzie School	Sheridan	9-12	52	59.0%	Yes
Sheridan High School	Sheridan	10-12	921	84.3%	Yes
<i>Sheridan District #3</i>					
Arvada-Clearmont High School	Clearmont	9-12	34	100.0%	Yes

Quality of Life

1. **Sheridan County's quality of life is commensurate with its population size and density.** Cultural offerings are strong, considering the small population base and dispersed population centers, and include the Wyo Theater and Carriage House Theater offerings, arts programs, and museums. The Bighorn Mountain Range and Bighorn National Forest enhance the scenic beauty of the region, as well as provide opportunity for outdoor recreational activity (e.g., camping, hiking, fishing, hunting, hang-gliding, horseback riding, etc.). Sheridan has several downtown parks for active and passive recreation.
2. **The Claritas-estimated 2006 Sheridan County median home value (\$140,429) was roughly 9% higher than the state average (\$128,992).** The Sheridan County median home price was 87% of the national median (\$161,602).
3. **Surveyed employers and community stakeholders report that low- and moderate-income residents are experiencing difficulties finding affordable housing opportunities.** The limited supply and high cost of housing place a burden on low- and moderate-income residents, many of whom are caught in the imbalance between relatively low area wages and high housing costs.
4. **Sheridan County's cost-of-living index is higher than Wyoming and the national average.** Utilizing the Economic Research Institute Relocation Assessor (ERI), WDG developed a cost-of-living comparison based on a household earning \$50,000 annually, a family size of three, and owning a 1,613 square foot home. The composite ERI cost-of-living for residents of Sheridan County is 101.6, higher than the Wyoming index (97.2) and slightly above the national average (100.0). The higher cost-of-living and higher housing costs are challenging for Sheridan County residents, given the overall lower median-income characteristics of the area.
5. **Sheridan County's property- and violent-crime rates are lower than Wyoming and U.S. averages.** According to the 2003 FBI crime reports, the property-crime rate for Sheridan County (2,315 crimes per 100,000 residents) was lower than the Wyoming and U.S. averages (3,321 and 3,588 crimes per 100,000 residents, respectively). The Sheridan County violent-crime rate (141 crimes per 100,000 residents) was considerably lower than the Wyoming and U.S. averages (262 and 475 crimes per 100,000 residents, respectively).
6. **Sheridan County hosts two hospitals containing a total of 423 beds.** Sheridan Memorial Hospital has 84 beds plus an emergency room, and the Veterans' Administration Hospital has 339 beds. Physician services are lacking, with just 50 in Sheridan County. Notably, Wyoming lacks a medical school, requiring students to travel outside the state for training opportunities. Attracting medical professionals back to Wyoming is a significant statewide concern. The area's limited healthcare resources will constrain the region's ability to attract retirees, mobile entrepreneurs, "Lone Eagles," and professional talent.

Business Climate and Operating Environment

1. **Wyoming is a right-to-work state, supporting employment-at-will policies with no significant employer restrictions.** No limitations are placed on employee drug testing, and plant-closing laws are not stricter than the federal level. No major difficulties for employers to contest workers' compensation and unemployment insurance claims were uncovered during the employer-interview process.

2. **Wyoming offers a low-tax environment to companies in all industries.** Significantly, many taxes are not levied by the state, including:
 - No state corporate or personal income tax
 - No inventory tax
 - No impact fees
 - No franchise, stamp documentation, mortgage recording, or realty transfer taxes/fees
3. **Sales/use tax rates in Sheridan County are modest, totaling 6%.** The tax includes a state rate (4%), plus a 1% general-purpose county tax and a 1% special-purpose county tax applied to capital improvements. Sales tax is levied on a broad range of categories, including: production machinery and equipment, computer hardware and standard software, office supplies and furniture/fixtures/equipment, and energy and utility services. Sales tax is not levied on raw materials. An exemption to the sales tax on new production machinery and equipment is available, but an application for the exemption must be made.
4. **Property tax is moderate in Sheridan County, but it is levied on nearly all forms of business property, though pollution control equipment is exempt.** The average property tax rate in Sheridan County is 6.7237% (Wyoming Department of Revenue, Ad Valorem Division, September 2004). The state assesses agricultural lands at 9.5% of agricultural value, residential and commercial property at 9.5% of fair market value, and industrial property at 11.5% of fair market value. Property tax is determined based on the following computation: Fair Market Value of Property X Level of Assessment (9.5% for residential and commercial property) X tax rate (6.7237% county average). For example, the tax on a commercial facility valued at \$1 million would be \$6,388.
 - No inventory tax is applied to raw materials and finished goods, but works-in-progress are taxed.
5. **Accounts receivable are exempt from taxation.**
6. **Industrial revenue bond financing is available to manufacturing employers up to a maximum amount of \$10 million.** Bonds may be applied to fixed assets at a rate of 2-3 percentage points below prime rate. Pre-employment recruiting, screening, and training services are offered, and employers do not have to hire those participants completing the training program. The Wyoming Department of Workforce Services offers employers up to \$4,000 per employee for training.
7. **The Wyoming Business Council and the Wyoming Community College Commission facilitate the licensing and implementation of the State of Georgia QuickStart training programs in three program areas: customer service, manufacturing, and warehouse/distribution.** This interstate partnership is unique, and represents the first time this well-regarded training program was used outside the State of Georgia.
8. **The National Labor Relations Board reports just two union elections held between 1990 and 2006.** In 1997, Permanent Label Company workers in Sheridan County voted to remain nonunion, and the Painters union received just four affirmative votes (out of 13 eligible voters). In 1990, all of the seven eligible employees at Sheridan Johnson Rea voted in favor of Electrical Workers union representation. Interviewed employers in Sheridan County report that a union-operating environment is achievable, provided proper defensive measures are maintained. Competitive wages and benefits, along with open-door communications policies, will limit employee interest in collective bargaining.

Real Estate and Infrastructure

Commercial/Industrial Real Estate

There are currently no existing buildings available for immediate occupancy by a small or mid-sized commercial or industrial operation in the City of Sheridan. In or adjacent to the city, there are ten industrial parks or commercial properties in various stages of development, as briefly described below:

1. Seven industrial/commercial parks are currently vacant and undeveloped:

- Double Eagle: the property is located along Route 336, approximately 0.4 miles east of I-90 Exit 23. The site is currently vacant.
- East Side Industrial Park: the industrial park is positioned along Route 336, approximately 0.6 miles east of I-90 Exit 23. The property is currently vacant.
- Fort Road Industrial Park: the property is located along Fort Road east of the Veterans' Hospital. The site is positioned approximately 1.5 miles from I-90 Exit 20. The site is near or part of an existing concrete operation and is currently undeveloped.
- Holly Ponds Commercial Center: the 2.8 acre site is positioned along West Fifth Street west of Sheridan's downtown. The property is located 2.28 miles from I-90 Exit 23 and is currently undeveloped.
- Riverside Industrial Park 1, 2, and 3: the properties are positioned in northern Sheridan near I-90 Exit 20. The three parks are currently undeveloped.

2. One existing commercial park is fully occupied:

- Sheridan Commercial Park: the park is located along Brundage Lane, just east of I-90 Exit 25. The park is fully developed, with no available buildings.

3. Two business parks are under development and currently offer vacant sites that are near existing services (e.g., water, sewer, natural gas, telecommunications):

- Airport Business Park: the county-owned park is located adjacent to the Sheridan County airport. The park is positioned approximately 1.5 miles east of I-90 Exit 25. The property is currently under development, and there are no existing commercial/industrial buildings available.
- Wesco Subdivision: the privately-owned property is situated along Dry Ranch Road, to the southeast of I-90 Exit 25. Two lots are currently available for development.

WDG has recommended economic development target opportunities that focus on small businesses/operations that have low headcount demands. To attract these opportunities, Forward Sheridan is encouraged to spearhead development of an expandable, flex-type building to temporarily or permanently house these small businesses or operations. A comprehensive inventory of all available sites and buildings in Sheridan County is encouraged.

Supportive Infrastructure

The City of Sheridan offers good supportive infrastructure.

1. **The City of Sheridan is positioned along a major fiberoptic route and offers two facilities-based telecommunications companies.** Sheridan County is served by Advanced Communications Technology (ACT), which provides fiberoptic networks connecting nearly all cities and towns in northern Wyoming. Qwest Communications also provides services in the City of Sheridan.
2. **Electric power rates are favorable in both the City of Sheridan and in Sheridan County's rural areas.** The Montana-Dakota Utilities Company provides electric power service to the City of Sheridan, and the Powder River Energy Corp. provides services to rural areas.
3. **The Montana-Dakota Utilities Company provides natural gas services to properties in the City of Sheridan.**
4. **The City of Sheridan provides water, sanitary sewer, and solid waste disposal services to the City's residents and commercial/industrial operations.**

WDG examined Sheridan County in 2005 as part of the Wyoming Business Council's locational assessment. At that time, employers responding to the WDG survey rated most infrastructure services within the Sheridan County/Johnson County region as satisfactory or better. Electric power reliability was favorably rated. Weaknesses were identified for the shortage and high cost of development sites and buildings, costly and limited rail and air freight services, and limitations on the types of industrial wastes permitted to enter the waste-water system.

APPENDIX A

DEMOGRAPHIC CHARACTERISTICS

APPENDIX B

EMPLOYER SURVEY SUMMARIES

APPENDIX C

WORKFORCE SURVEY SUMMARY