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STRATEGIC PLANNING DATA ANALYSIS

McPherson County

Kansas Center for Community Economic Development

Charles E. Krider, Co-Director

Institute for Public Policy and Business Research
The University of Kansas

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STRATEGIC PLANNING DATA ANALYSIS

McPherson County

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FOREWORD

The following report has been prepared to assist the people of McPherson County, Kansas in developing a community-based strategic plan. The purpose of this report is to provide data which will yield a better understanding of local issues and broader scale issues which impact upon the local economy. An early draft and key conclusions from this report was presented to the public by Henry Schwaller in the late spring of 1992. Since that time, much of the data in this final report has been updated to reflect newly available data; the principal conclusions are generally consistent with the draft report, although newer data has shown some shifts from previous trends. This report should be useful in monitoring and updating the progress of ongoing efforts to implement strategic planning in McPherson County.

The Kansas Center for Community Economic Development (KCCED) is funded by a grant from the U.S. Department of Commerce, Economic Development Administration. KCCED is a joint university center between the Institute for Public Policy and Business Research at the University of Kansas and the Kansas Center for Rural Initiatives at Kansas State University. The statements, findings, and conclusions of this report are solely those of the authors and do not necessarily reflect the views of the United States Government, the State of Kansas, the University of Kansas, or any other individual or organization.

It is hoped that Strategic Planning Data Analysis: McPherson County will serve as a useful source of information. Further reproduction of the data presented in this report is permissible on condition that the source is cited. For those wishing to conduct a more in-depth analysis of their county, additional information may be obtained by contacting the sources cited in this report. KCCED, through the Institute for Public Policy and Business Research at the University of Kansas and the Kansas Center for Rural Initiatives at Kansas State University, has access to additional data and can provide technical assistance, data analysis, and survey support.

Special thanks are extended to the staff at the Kansas Center for Community Economic Development and the Institute for Public Policy and Business Research (IPPBR) who helped make this report possible: Shakura Jackson, Mary Brohammer and Linda Bennett, IPPBR; and Doug LaTessa and Michael Keough, Research Assistants, IPPBR. Guidance for the report was provided by Dr. Charles Krider, Co-Director, KCCED/KU.

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Executive Summary

This report, commissioned for the McPherson County strategic planning project, surveys some of the more significant demographic and economic trends in McPherson County, Kansas, over the period from 1980 to the present time. Through contrast and comparison with nearby counties, relative strengths and weaknesses have been assessed.

McPherson is a county of about 27,000 people, situated in central Kansas. Its population is a mixture of small urban and rural. The county is connected with four major highways, including Interstate 135. The county's economy includes proportionally large manufacturing and mining sectors, retail and service sectors that remain to be more fully developed, and an agricultural sector that retains a significant role in the county's economy relative to the region and non-metropolitan areas. During the 1980s, McPherson County escaped many of the declines in population and economic base that occurred throughout Kansas' non-metropolitan counties. However, projections indicate that population growth will slow further and level off after the turn of the century, presenting both challenges and opportunities for continued economic development in McPherson County.

The People

The county's population level increased at a slower rate than previously during the past decade, after consistent growth through nearly every decade of this century. Net rates of out-migration in the 1980s were comparably favorable to those of comparative counties and were more than offset by the natural increase in population (births minus deaths). As stated above, population growth is expected to level off over the next two decades. The people of McPherson County are slightly older than the averages for comparative areas, Kansas and the U.S. Educational levels for persons aged 25 and over are generally lower for the county than for comparative counties or the state at large. Per capita incomes are higher in McPherson County than in non-metropolitan and several comparative counties, and have been characterized by stable growth from year to year.

The Economy

McPherson County's economy is diverse. A greater proportion of jobs are provided by the farming, mining, manufacturing, and service industries than for the state as a whole, while the wholesale, retail, and government sectors contribute less in terms of employment than the state average. Although growth occurred in the mining, retail, and government sectors, manufacturing and services accounted for over 90 percent of job growth since 1980. The greatest losses in employment from 1980 to 1990 occurred in the wholesale, transportation and public utilities, and farm sectors. Overall, McPherson County experienced net job growth of 7.2% (1,170 jobs) in the 1980s, which is less than the state average but considerably better than the 2.7% growth rate for non-metropolitan counties in the state. Since 1981, unemployment in McPherson County has been consistently lower than the averages for the

state, non-metropolitan counties, and all the comparative counties except for Johnson. A decline in the size of the labor force in the early 1980s has since stabilized in the range 14,400 and 14,800. McPherson County demonstrated a high rate of growth in labor income compared with other areas and matched the state and non-metropolitan areas in growth of average earnings per job over the last decade.

The retail base in McPherson County eroded in real terms by 18 percent from 1981 to 1991, although most of this decline occurred prior to 1986 and retail sales levels have since stabilized. The number of firms in the county increased by 15 percent over the decade, with most of the growth happening in the wholesale, service, and manufacturing sectors. Along with this growth, a trend toward smaller firm size was indicated. Farm output has remained stable in McPherson County, but the number of farms has decreased while acres harvested has not--indicating a trend toward fewer, larger farms. The county's property tax base has remained stable over the last two years.

Community Resources

Data on public school expenditures and enrollments indicate both strengths and challenges for McPherson County in the utilization of its educational resources. High school dropouts rates are low but growing. Access to cultural and recreational resources is comparable to that of other counties. Health care resources are not as accessible as in many of the comparative counties, with lower than average availability of hospital beds and physicians. The county compares favorably with other areas in terms of access to licensed adult care homes. However, it lags behind others in the availability of preschool and licensed day care facilities. Housing availability is better than in most comparative counties and for the state as a whole. Owner occupancy is high and housing costs are moderate. Other positive indicators of the county's quality of life include relatively low rates of crime, infant mortality, and poverty.

Challenges and Opportunities

As McPherson County residents prepare a strategic plan for the future of their communities, many challenges and opportunities present themselves. The global economic environment has become more challenging, with an increased emphasis on technology and training to keep the labor force flexible and competitive. The smaller, slightly older and somewhat less educated labor force in McPherson County will need to adapt and expand in order to meet the future requirements of present and prospective employers. A major challenge for McPherson County will be in determining how best to enrich its job market, by transforming some of its current jobs into higher-skilled, higher-paying jobs for the future. Tying into state and federal technology programs could present one such set of opportunities.

Amidst these and other challenges and opportunities facing their communities, McPherson County citizens must maintain a broad-based commitment to working in partnership with one another to plan the future of the county. This commitment, when combined with an ambitious and shared vision for the future, will be the necessary ingredient to turn dreams into reality.

Introduction

The use of data in strategic planning is important for a number of reasons. Data helps a community in "taking stock" and better understanding its current economic situation. Data also provides insight into the internal and external trends affecting the community. It also provides a standard for comparing local economic performance with other areas, such as the state or nation. Using data in preparing a community strategic plan can promote the long-run success of the planning effort and its eventual outcomes by:

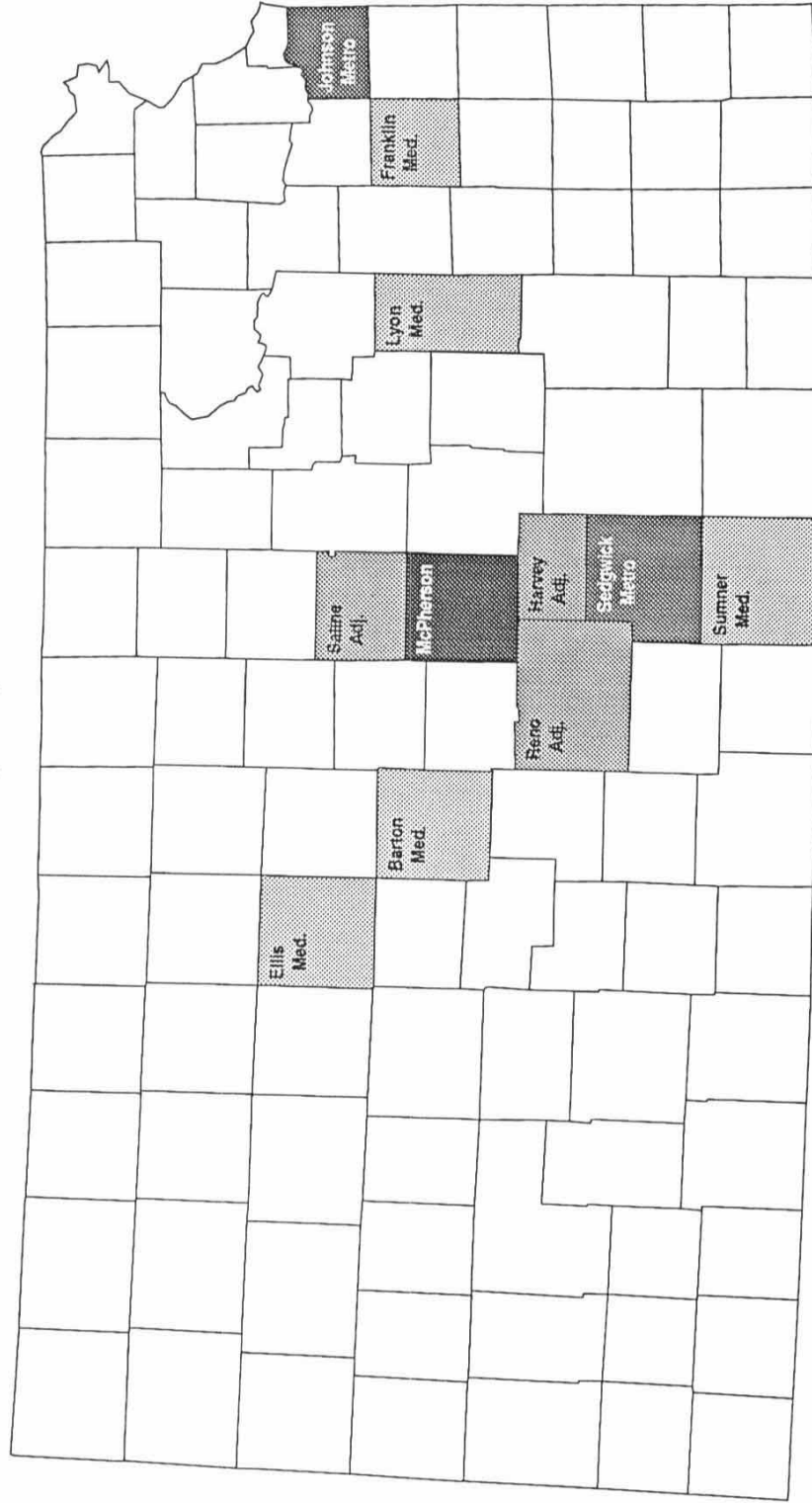
- *Testing Assumptions*--Data can confirm or challenge pre-conceived ideas that a community has about its current situation.
- *Identifying Key Issues*--Local strengths and weaknesses relative to comparable communities can pinpoint specific issues which may need to be addressed.
- *Building Consensus*--By building a common understanding about concerns and trends affecting the community, the community can move toward common goals.
- *Establishing the Direction the Process Should Take*--Data can serve as a compass in the strategic planning process and can help in determining the next step.

Raw data by itself will not lead to an understanding of the community. Data must be analyzed, taking into account the intuition or common knowledge of the community about the overall trends. Data serves as the base for an analysis, leading to conclusions about what is happening in the community, relative to other regions over time and, what the impacts or consequences are. From this, the community can begin to develop its strategies.

In the following sections, data will first be presented and analyzed in overview fashion for regional and national trends. Following this, data will be reviewed at a more local scale in the following areas: population; education; employment, earnings and income; location and infrastructure; business environment; financial capital; and quality of life. A review of state technology performance and policies is also included.

Throughout the report, local-level materials will be presented relating McPherson County's economic performance through the past decade with the State of Kansas and the counties neighboring McPherson County. To facilitate comparisons, "Metro", "Adjacent", and "Medium" sized comparative counties have been designated. The metro comparative counties include Johnson and Sedgwick; adjacent comparative counties include Reno, Saline, and Harvey; medium comparative counties include Barton, Ellis, Franklin, Lyon, and Sumner. Aggregate totals for each group of comparative counties as well as non-metro values for the state are included in the data presented. The counties for which data is examined in this report are shown in Map 0.1.

Map 0.1
McPherson County - Comparative Counties



Source: Institute for Public Policy and Business Research.

Section I: Global, Regional & National Trends

While development occurs at the local level, it is becoming increasingly subject to global forces. In the short run, global scale trends may appear too distant; however these trends can have profound impacts upon a community. For example, the worldwide shift from goods-producing economies toward more service-based economies, especially apparent during the early 1980s, created enormous adjustments in local labor forces. Similarly, technological change and the growth in foreign trade have created threats to some communities' well-being, while these have presented others with opportunities for expansion. Worldwide change, while presenting a new set of constraints about what can be done at the local level, has also generated opportunities. In an increasingly competitive global economy, successful communities are positioning themselves to build upon their internal strengths and are anticipating opportunities by preparing in advance rather than reacting in the face of change.

The range of global, national and regional factors which can affect the international competitiveness of a community is very broad. In the following section, some of these are isolated to provide a more complete context for the local level data which is presented in subsequent sections of this report:

- *Population growth rates* and demographic change, evidenced in the *age of the population* and the distribution of *urban and rural population* demonstrate Kansas' recent and expected growth relative to the nation, with implications for the labor force;
- *Educational attainment levels* is an indicator of how well prepared the Kansas workforce is, while the *age structure of the workforce* foreshadows changes in the stability, flexibility and future training needs of the labor force;
- *Employment projections by industry and occupation* indicates where job growth is expected to occur, while changes in the *average weekly earnings by industry* illustrate the industries which have been growing in productivity nationwide over the decade;
- *Job creation, by firm size* shows which types of firms have contributed most to job growth; *Employment and per capita income contrasts between metropolitan and non-metropolitan areas* further explain the changing fabric of the Kansas economy;
- The changing *levels of exports, imports and foreign investment* show how interdependent the U.S. and worldwide economies have become; and,
- The levels of *state and local taxes per capita* indicate the relative tax burden in Kansas, with implications for the level of competitiveness of Kansas firms and the overall standard of living for Kansas residents.

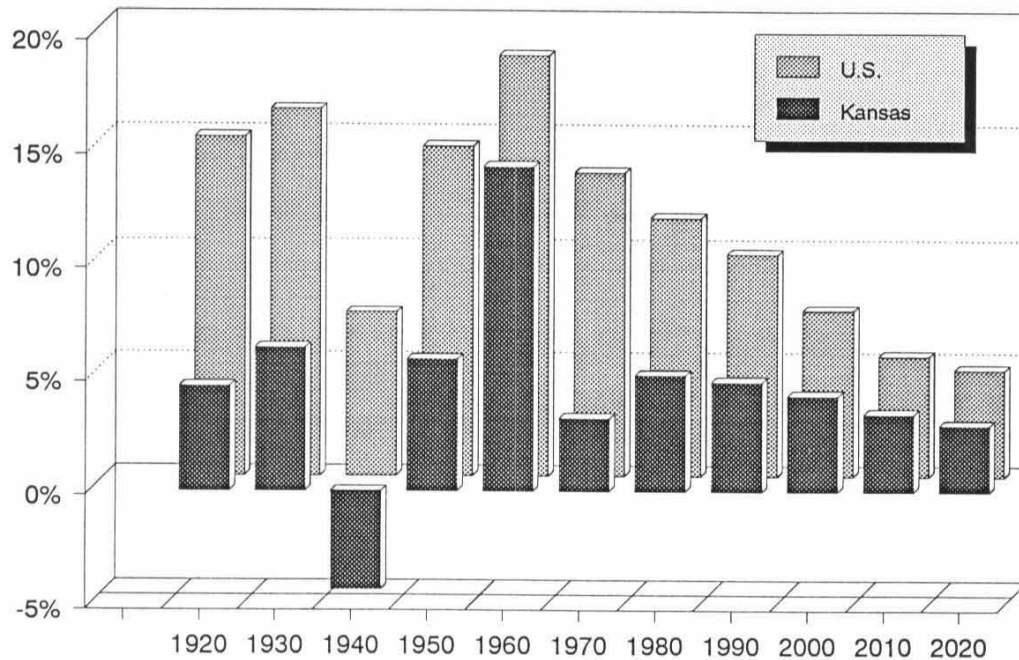
GLOBAL, REGIONAL AND NATIONAL TRENDS: KEY FINDINGS

- Since 1970, Kansas has grown at about one-half the national growth rate. Only moderate growth is projected for Kansas in the future.
- Since the turn of the century, rural population in Kansas has increased in only two of the nine decades.
- Although the median age of the population in Kansas equals the national average, Kansas has relatively more young (0-14) and more old (65+) residents than the nation as a whole.
- Educational attainment levels in Kansas are high in comparison with neighboring states.
- Employment projections call for the greatest growth in the occupations requiring high levels of education or highly specific skills (technicians, professions) with the top three health-related occupations combining for nearly 11 percent of all job creation to 2005.
- Ninety-four percent of all job creation in Kansas since 1985 has occurred in the metropolitan areas.
- Industries showing the greatest increases in average weekly wages since 1983 have been: Services; Mining; Finance, Insurance and Real Estate; and Wholesale Trade.
- Per capita incomes in Kansas are higher than those of most neighboring states; however, Kansas has lost ground in relative terms since the early 1980s.
- Firms with more than 50 employees (4.2% of Kansas firms) generated nearly 60 percent of net new jobs in Kansas from 1980 to 1989.
- During the 1980s, Kansas enjoyed particularly strong output performance from the Transportation and Public Utilities industry, while Finance, insurance and real estate sectors despite strong growth, did not match national output shares.
- By the year 2020, the services industry is expected to account for nearly 27 percent of Kansas jobs, followed by the Government sector with 16.7 percent. Manufacturing is expected to continue to decline in relative importance.
- Since 1961, exports as a share of US GDP have tripled, while imports have more than doubled, each accounting for more than 11 percent of GDP.
- Levels of state and local taxation per capita in Kansas are 10 percent lower than national averages, with high rates of local taxation (ranked 19th in the nation) and low rates of state taxation (ranked 33rd.)

GLOBAL, REGIONAL AND NATIONAL TRENDS: DATA ANALYSIS

Figure 1.1

Ten-Year Population Growth Rates Kansas and U.S., 1920-2020



Source: KCCED calculations on data from Bureau of Economic Analysis; U.S. Bureau of the Census, *Fifteenth Census of the United States: 1930*, Vol. 1; *Census of Population, 1960*, Number of Inhabitants, Final Report; *1980 Census of Population*, Vol. 1, Chapter A, Part 18; *1990 Decennial Census*, mimeographed sheet.

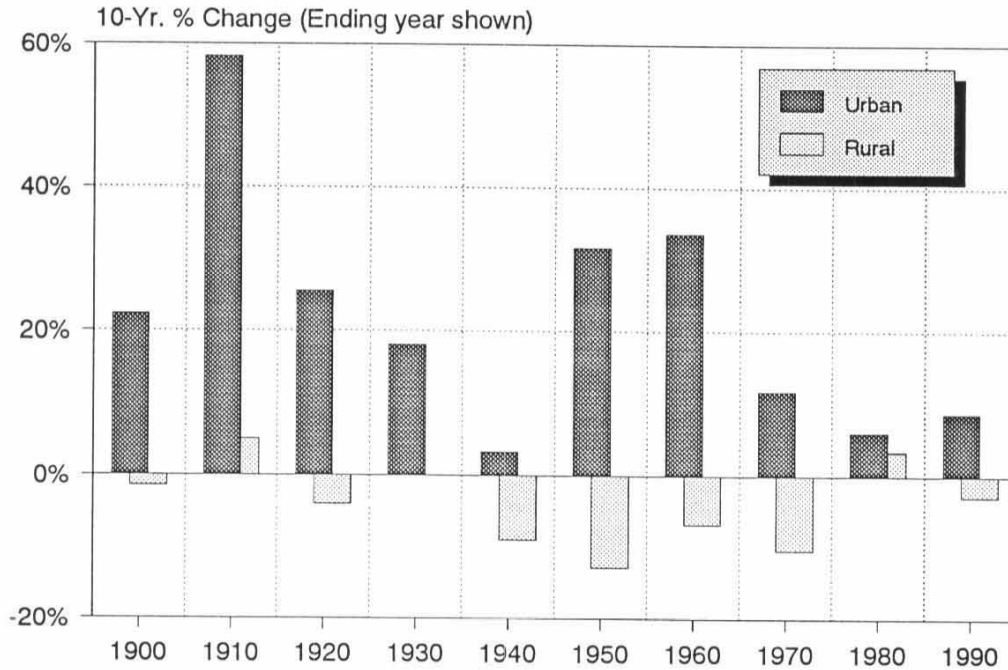
- Population growth rates in Kansas have consistently lagged those of the U.S. for every decade since the 1920s. Over the last 80 years, population in Kansas has grown at about one-third the U.S. rate; since 1970, population growth has been about one-half the U.S. rate.
- In 1920, Kansas represented a 1.67 percent share of the nation's population; in 1990, Kansas accounted for 1 percent of U.S. population.
- Only moderate population growth is projected for Kansas in the future. Over the next thirty years, Kansas is projected to grow at only two-thirds the growth rate for the U.S. as a whole.

Table 1.1
10-Year Population Growth Rates
Kansas and U.S., 1920-2020

| Decade Ending Growth Rates (%) | 1920 | 1930 | 1940 | 1950 | 1960 | 1970 | 1980 | 1990 | 2000 | 2010 | 2020 |
|--------------------------------------|------|------|-------|------|-------|------|------|------|------|------|------|
| Kansas | 4.6% | 6.3% | -4.3% | 5.8% | 14.3% | 3.2% | 5.1% | 4.8% | 4.2% | 3.4% | 2.9% |
| U.S. | 14.9 | 16.1 | 7.2 | 14.5 | 18.5 | 13.4 | 11.4 | 9.8 | 7.3 | 5.3 | 4.7 |
| Kansas % Share of U.S. Population | 1.67 | 1.53 | 1.36 | 1.26 | 1.21 | 1.10 | 1.04 | 1.00 | .97 | .95 | .94 |

Source: KCCED calculations on data from Bureau of Economic Analysis; U.S. Bureau of the Census, *Fifteenth Census of the United States: 1930*, Vol. 1; *Census of Population, 1960*, Number of Inhabitants, Final Report; *1980 Census of Population*, Vol. 1, Chapter A, Part 18; *1990 Decennial Census*, mimeographed sheet; Upmeyer, Helga and Anthony Redwood, *Kansas Population Projections 1985-2020*, Institute for Public Policy and Business Research Report #158, January 1989.

Figure 1.2
 Urban and Rural Population in Kansas
 Decade Ending Rates of Change, 1900-1990



Source: U.S. Bureau of the Census, *1960 Census of Population*, PC(1)-18A; *1980 Census of Population*, PC80-1-A-18; *Current Population Reports*, Series P-26, No. 86-WNC-SC; No. 88-WNC-SC.

- Population growth in Kansas has been dominated by urban places. Since the turn of the century, rural population has increased in only two of the nine decades, during the 1930s and the 1980s.
- In recent decades, the urban to rural shift in population has become less pronounced. To some extent, this is due to the new roles for non-metropolitan counties as labor sources for urbanized counties. However, not all rural counties are able to assume this new role. Across the Midwestern states during the period 1982 to 1986, non-metropolitan counties which were adjacent to urban centers grew annually by 0.9 percent, while counties which were not adjacent to urbanized counties declined in population by 0.3 percent per year¹.

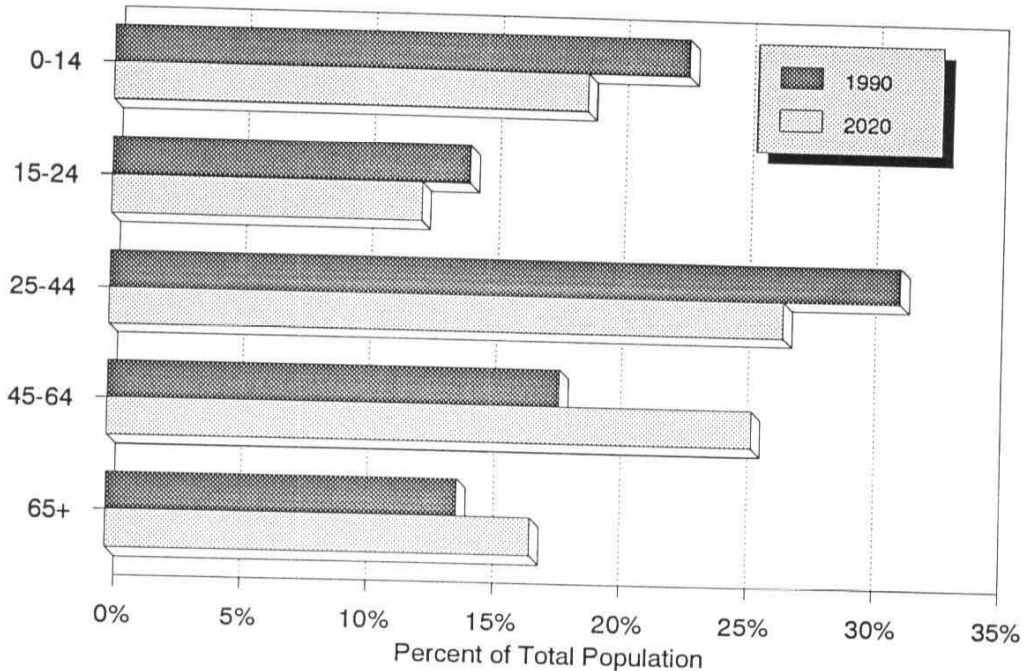
¹ National Governors' Association, *Economic Realities in Rural America: Recent Trends, Future Prospects*, (Washington: National Governors' Association, 1988.)

Table 1.2
 Urban and Rural Population in Kansas
 Decade Ending Rates of Change, 1900-1990

| | <u>1900</u> | <u>1910</u> | <u>1920</u> | <u>1930</u> | <u>1940</u> | <u>1950</u> | <u>1960</u> | <u>1970</u> | <u>1980</u> | <u>1990</u> |
|-------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| Urban | 22.3% | 58.3% | 25.5% | 18.1% | 3.3% | 31.7% | 33.7% | 11.7% | 6.1% | 8.7% |
| Rural | -1.5 | 5.0 | -4.0 | 0.0 | -9.0 | -12.9 | -6.8 | -10.4 | 3.4 | -2.9 |

Source: U.S. Bureau of the Census, *1960 Census of Population*, PC(1)-18A; *1980 Census of Population*, PC80-1-A-18; *Current Population Reports*, Series P-26, No. 86-WNC-SC; No. 88-WNC-SC; 1990 Census of Population, CPH-L-79, *Population and Housing Units by Urban and Rural for Kansas*.

Figure 1.3
 Kansas Population by Age Group
 1990 Actual, 2020 Projections



Source: Upmeier, Helga, and Anthony Redwood, *Kansas Population Projections 1985-2020*, Institute for Public Policy and Business Research Report #158, January 1989; U.S. Bureau of the Census, *Current Population Reports: Population Estimates and Projections*, Series p-25 No. 952, 1984; 1990 data from U.S. Bureau of the Census, 1990 Census of the Population, Summary Tape File 1A, *Characteristics of the Population*.

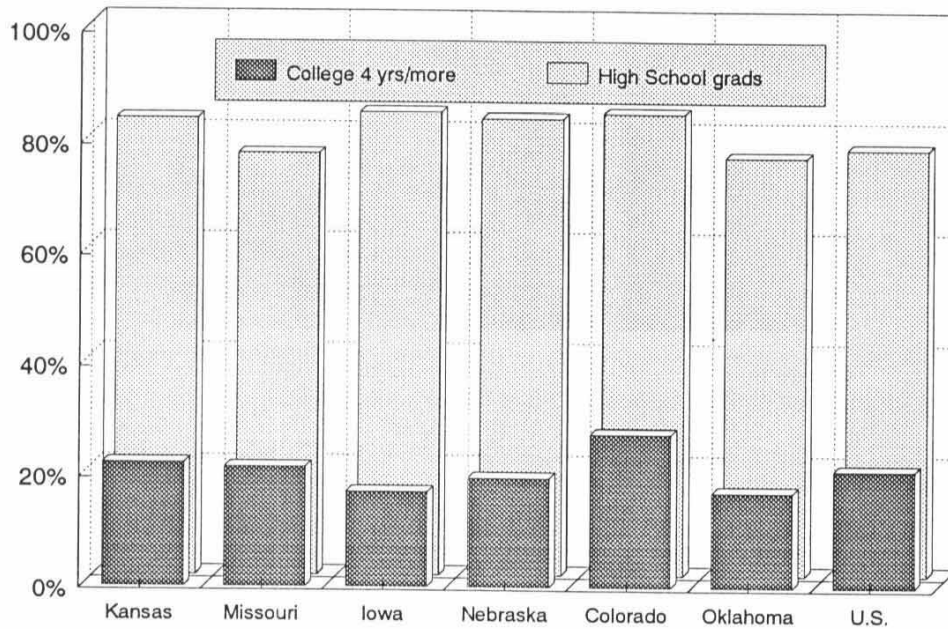
- The median age of the Kansas population is the same as the U.S. median age, 32.9 years. However, Kansas has a greater share of population than the U.S. in the newborn to 24 year old cohorts and in the 65 and over age groups. This concentration of population at the extremes means that Kansas has a smaller share of its population in prime working years, and has a higher proportion of its population in age groups generally considered as 'dependent' upon other age groups for support.
- By the year 2020, the differences in age structure between Kansas and the U.S. are expected to narrow, with the Kansas median age becoming slightly younger than the U.S. figure. The population of both Kansas and the U.S. will become more evenly distributed across age groups, with relatively less emphasis on the Age 5 to 44 age groups than is presently the case due to the aging of 'baby boomers' and their children.

Table 1.3
Age of the Population
Kansas and U.S., 1990 and 2020

| Age Group | Percentage of Actual or Projected Population | | | |
|-----------------|--|----------------|--------------|--------------|
| | Kansas 1990 | Kansas 2020 | U.S. 1990 | U.S. 2020 |
| 0-5 | 7.6% | 6.1% | 7.4% | 6.1% |
| 5-14 | 15.2 | 12.7 | 14.2 | 12.4 |
| 15-24 | 14.2 | 12.3 | 14.8 | 12.2 |
| 25-34 | 16.7 | 13.5 | 17.4 | 13.4 |
| 35-44 | 14.6 | 13.2 | 15.1 | 12.5 |
| 45-54 | 9.5 | 11.5 | 10.1 | 12.1 |
| 55-64 | 8.4 | 14.0 | 8.5 | 13.6 |
| 65-74 | 7.5 | 10.1 | 7.3 | 10.0 |
| 75+ | 6.4 | 6.7 | 5.3 | 7.3 |
| Median Age-yrs. | 32.9 | 38.9 | 32.9 | 39.3 |

Source: Upmeier, Helga, and Anthony Redwood, *Kansas Population Projections 1985-2020*, Institute for Public Policy and Business Research Report #158, January 1989; U.S. Bureau of the Census, *Current Population Reports: Population Estimates and Projections*, Series p-25 No. 952, 1984; 1990 data from U.S. Bureau of the Census, 1990 Census of the Population, Summary Tape File 1A, *Characteristics of the Population*.

Figure 1.4
Levels of Education, Persons Over 25
 Kansas, Neighboring States and U.S., 1989



Source: U.S. Bureau of the Census, *Educational Attainment in the U.S.*, March 1991 and 1990.

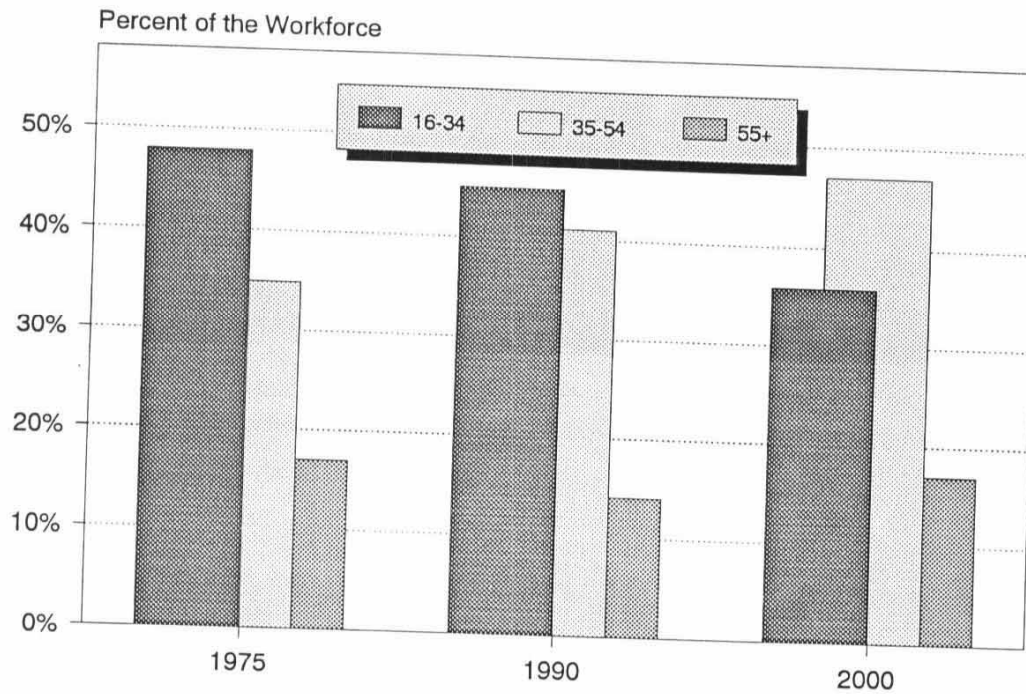
- The Kansas workforce is well educated relative to the national average, with 22.3 percent of adults age 25 or older having 4 or more years' college education. Of the neighboring states only Colorado has higher rates of educational attainment.
- While Iowa and Nebraska have slightly higher rates of high school completion, fewer of their high school graduates complete 4 years of college than do so in Kansas.

Table 1.4
 Levels of Educational Attainment, Persons 25 or Older
 Kansas, Neighboring States and U.S., 1989

| | Percentage of Adults Age 25 or Older | |
|---------------|--------------------------------------|-------------------------|
| | Completed High School | 4 or More Years College |
| Kansas | 82.2% | 22.3% |
| Missouri | 75.9 | 21.6 |
| Iowa | 83.4 | 17.1 |
| Nebraska | 82.2 | 19.7 |
| Colorado | 83.3 | 27.7 |
| Oklahoma | 75.4 | 17.1 |
| UNITED STATES | 76.9 | 21.1 |

Source: U.S. Bureau of the Census, *Educational Attainment in the U.S.*, March 1991 and 1990.

Figure 1.5
Age Structure of the Workforce
 U.S., 1975, 1990 and 2000



Source: U.S. Bureau of Labor, *Monthly Labor Review*, November 1991, pg. 36.

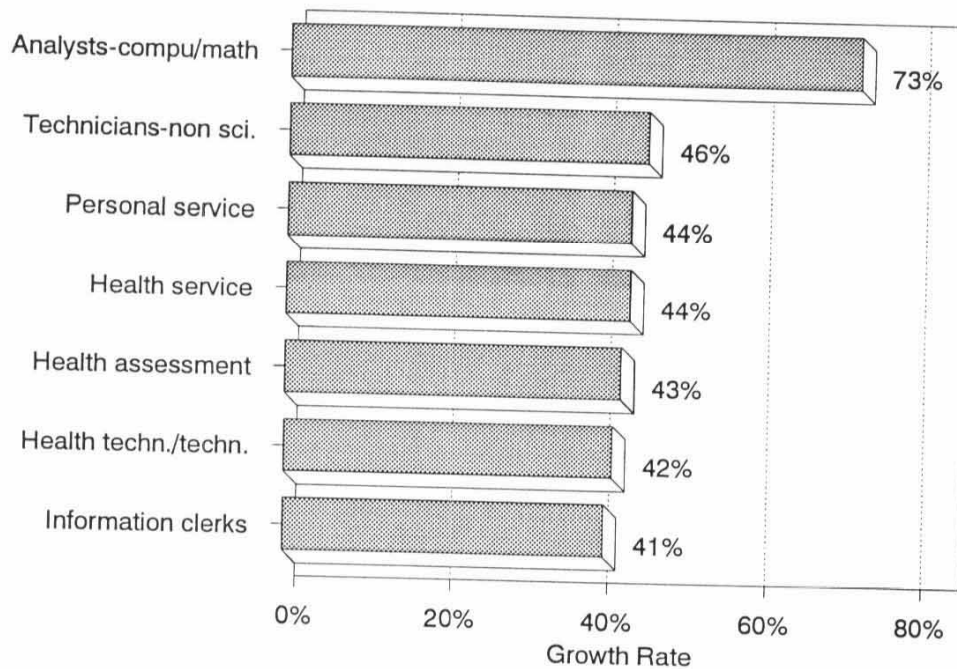
- The proportion of the U.S. workforce age 35-54, 35 percent of all workers in 1975, is expected to rise to 47 percent by the year 2005. This older, more experienced and more stable portion of the workforce will also be less flexible, less adaptable to change and less likely to relocate in response to career opportunities than those age 16 through 34.
- The youngest portion of the labor force, those age 16 to 34, will decline from 48 percent in 1975 to 36 percent of all workers in 2005. This reduced supply of new entrants to the workforce will mean there will be greater pressures on retraining older workers as new technologies are introduced.

Table 1.5
 Age Structure of the Workforce, 1975, 1990 & 2005

| Percentage Distribution | 1975 | 1990 | 2005 |
|-------------------------|------|------|------|
| Age 16-34 | 48% | 45% | 36% |
| Age 35-54 | 35 | 41 | 47 |
| Age 55+ | 17 | 14 | 17 |

Source: U.S. Bureau of Labor, *Monthly Labor Review*, November 1991, pg. 36.

Figure 1.6
 Fastest Growing Occupational Sub-Groups
 U.S., 1990-2005, Job Creation 400,000+



Source: Bureau of Labor Statistics, *Monthly Labor Review*, Vol. 114, No. 1 (November 1991), pp.68-80.

- Employment projections to the year 2005 call for the greatest growth areas in occupations requiring high levels of education or highly specific skills. The two fastest growing occupational groups are technicians (37%) and professional specialties (32%)
- The high-growth occupations are dominated by sub-groups focusing upon personal and medical and information services. Health service, assessment and treating, and health technicians and technologists occupations combined account for nearly 11 percent of all job creation to the year 2005.

Table 1.6
Fastest Growing Occupational Subgroups, 1990-2005
Ranked by Net Job Creation

| <u>Group</u> | <u>New Jobs (000s)</u> | <u>Growth Rate</u> |
|--|------------------------|--------------------|
| Managers & administrators | 2,336 | 26% |
| Food preparation & service | 2,325 | 30 |
| Teachers, librarians, & counselors | 1,593 | 28 |
| Miscellaneous clerical & administrative support | 1,349 | 19 |
| Miscellaneous sales & related | 1,222 | 23 |
| Management support | 1,079 | 30 |
| Transportation/material moving machine/vehicle operators | 1,013 | 21 |
| Health assessment & treating | 999 | 43 |
| Personal service | 972 | 44 |
| Retail salespersons | 887 | 24 |
| Total, all groups | 24,618 | 20 |

Source: Bureau of Labor Statistics, *Monthly Labor Review*, Vol. 114, No. 1 (November 1991), pp.68-80.

Table 1.7
Fastest Growing Major Occupational Groups, 1990-2005
Ranked by Growth Rate

| <u>Group</u> | <u>New Jobs (000s)</u> | <u>Growth Rate</u> |
|--|------------------------|--------------------|
| Technicians & Related Support | 1,550 | 37% |
| Professional Specialties | 5,107 | 32 |
| Service | 5,602 | 29 |
| Executive, Administrative & Managerial | 3,414 | 27 |
| Marketing & Sales | 3,401 | 24 |
| Total, all groups | 24,618 | 20 |

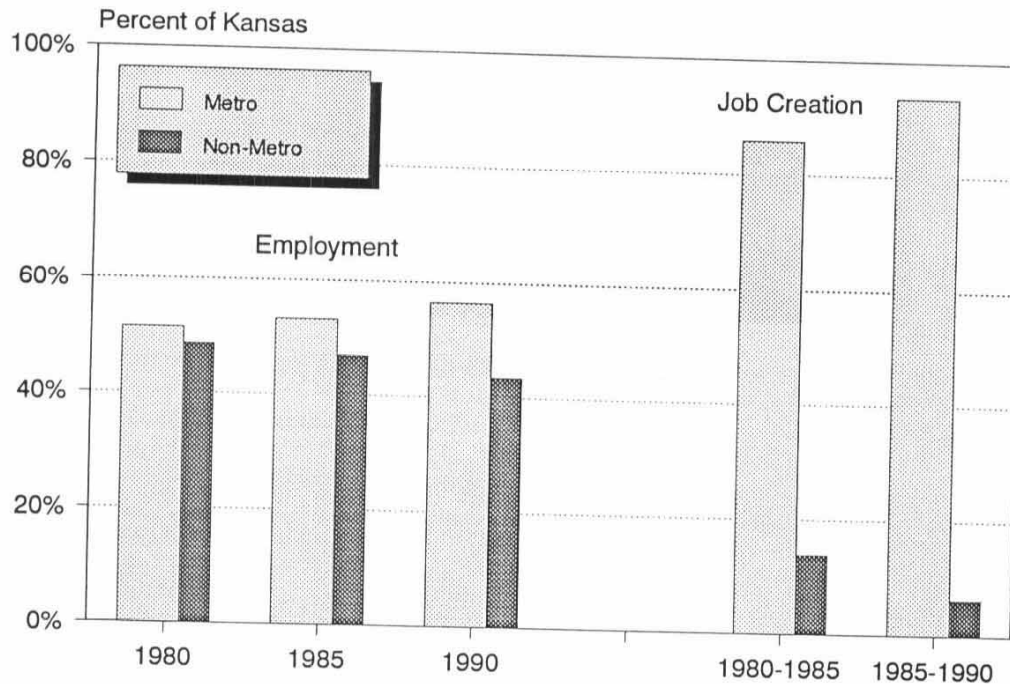
Source: Bureau of Labor Statistics, *Monthly Labor Review*, Vol. 114, No. 1 (November 1991), pp.68-80.

Table 1.8
Fastest Growing Occupational Subgroups, 1990-2005
Ranked by Growth Rate

| <u>Group</u> | <u>New Jobs (000s)</u> | <u>Growth Rate</u> |
|--|------------------------|--------------------|
| Computer, mathematical, & operations research analysts | 416 | 73% |
| Travel agents | 82 | 62 |
| Technicians (except health, engineering & science) | 475 | 46 |
| Personal service | 972 | 44 |
| Health service | 860 | 44 |
| Health assessment & treating | 999 | 43 |
| Social scientists | 96 | 43 |
| Health technicians & technologists | 763 | 42 |
| Information clerks | 584 | 41 |
| Gardeners & groundskeepers (non-farm) | 348 | 40 |
| Securities & financial services sales | 76 | 40 |
| Total, all groups | 24,618 | 20% |

Source: Bureau of Labor Statistics, *Monthly Labor Review*, Vol. 114, No. 1 (November 1991), pp.68-80.

Figure 1.7
 Employment and Job Creation Shares
 Kansas Metro and Non-Metro Areas, 1980-90



Source: U.S. Department of Commerce, Bureau of Economic Analysis, *Regional Economic Information System*, Table CA25. Metropolitan Statistical Areas include: Kansas City, Kansas MSA (Johnson, Leavenworth, Miami and Wyandotte Counties); Lawrence MSA (Douglas County); Topeka MSA (Shawnee County); and, Wichita MSA (Butler, Harvey and Sedgwick Counties).

- Employment in Kansas has become increasingly concentrated in urban areas. In 1980, metropolitan areas accounted for 51 percent of all employment; by 1990, this figure was 57 percent. Over the period 1985 to 1990, nearly 94 percent of all net new jobs were located in the metropolitan areas: 110,700 jobs were added in the nine metropolitan counties, while the remaining 96 counties shared only 7,400 net new jobs.
- The 1980-1990 job creation rate was 25.5 percent in metropolitan counties and only 2.7 percent in non-metropolitan counties.

Table 1.9
 Employment in Kansas
 Metropolitan and Non-Metropolitan Areas, 1980, 1985, 1990

| | <u>Number Employed</u> | | | <u>Net Job Creation</u> | |
|------------------------|------------------------|-------------|----------------|-------------------------|----------------|
| | <u>1980</u> | <u>1985</u> | <u>1990</u> | <u>1980-85</u> | <u>1985-90</u> |
| | | | (in thousands) | | |
| Metropolitan Areas | 662.5 | 720.8 | 831.5 | 58.3 | 110.7 |
| Non-Metropolitan Areas | 624.3 | 633.7 | 641.1 | 9.4 | 7.4 |
| State Totals | 1,286.7 | 1,354.5 | 1,472.6 | 67.8 | 118.1 |

Source: U.S. Department of Commerce, Bureau of Economic Analysis, *Regional Economic Information System*, Table CA25. Metropolitan Statistical Areas include: Kansas City, Kansas MSA (Johnson, Leavenworth, Miami and Wyandotte Counties); Lawrence MSA (Douglas County); Topeka MSA (Shawnee County); and, Wichita MSA (Butler, Harvey and Sedgwick Counties).

- The highest paying industries in the U.S. in 1991 were Mining, with average weekly wages of \$631, Construction (\$534) and Transportation and Public Utilities (\$512).
- The greatest rates of increases in wages over the period 1987-1991 occurred in the Services industry (+20.6%), followed by Mining (+18.7%), Finance, Insurance and Real Estate (+17.9%) and Wholesale Trade (+17.9%).
- The Retail and Construction industries lost ground relative to other industry groups with respect to wage increases throughout the decade. Services and Finance, Insurance and Real Estate performed better than the all-industry average in both the early and late parts of the decade.

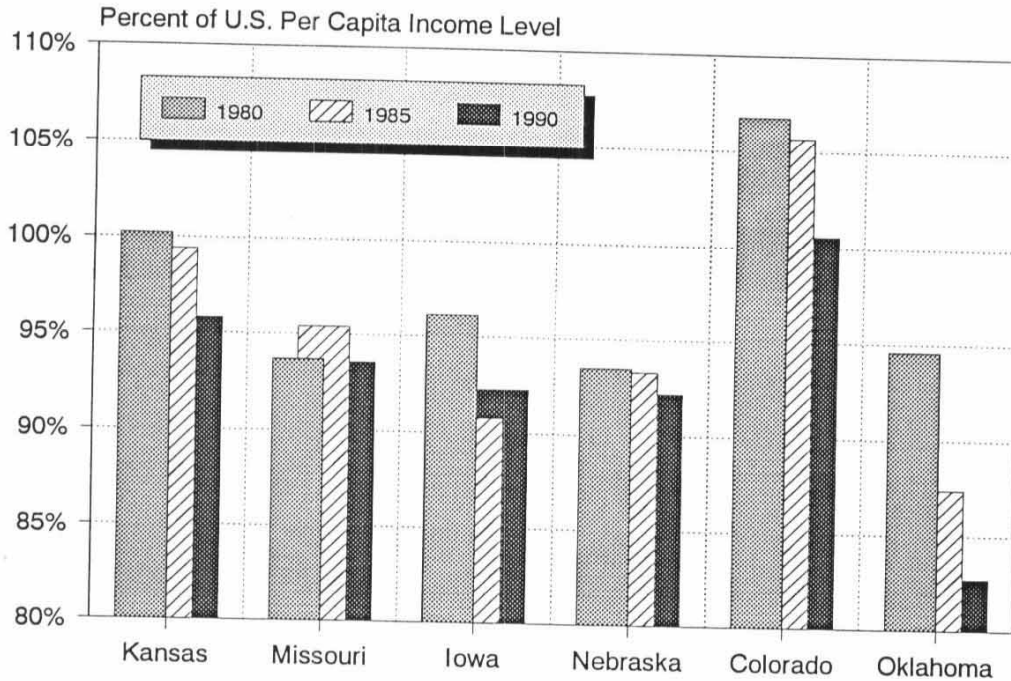
Table 1.10
Average Weekly Earnings by Industry
U.S., 1983, 1987 and 1991

| Industry | Average Weekly Earnings | | | Percentage Change | |
|---------------------------------|-------------------------|----------|----------|-------------------|---------|
| | 1983 | 1987 | 1991 | 1983-87 | 1987-91 |
| Mining | \$479.40 | \$531.70 | \$630.92 | 10.9% | 18.7% |
| Construction | 442.97 | 480.44 | 533.78 | 8.5 | 11.1 |
| Manufacturing | 354.08 | 406.31 | 455.03 | 14.8 | 12.0 |
| Transportation/Utilities | 420.81 | 471.58 | 512.00 | 12.0 | 8.6 |
| Wholesale | 328.25 | 365.30 | 425.20 | 11.3 | 16.4 |
| Retail | 171.13 | 178.80 | 200.20 | 4.5 | 12.0 |
| Finance, Insurance, Real Estate | 263.68 | 316.37 | 373.04 | 20.0 | 17.9 |
| Services | 239.04 | 276.03 | 332.80 | 15.5 | 20.6 |
| Total Private Sector | 280.70 | 312.50 | 354.66 | 11.1 | 13.5 |

Source: U.S. Bureau of Labor, *Monthly Labor Review*, February 1992 pg. 81.

Figure 1.8

Per Capita Personal Income Levels Kansas & Neighboring States, 1980/85/90



Source: U.S. Department of Commerce, Bureau of Economic Analysis, *Regional Economic Information System*, Table SA2.

- Kansas per capita incomes, at \$17,896 in 1990, were higher than those of all of the surrounding states except Colorado. However, Kansas per capita incomes in 1990 were 4 percent lower than the U.S. average of \$18,685.
- Kansas lost ground relative to the state and most of the surrounding states with respect to per capita personal incomes from 1980 to 1990. Only Oklahoma and Colorado declined more than Kansas did during the decade in relation to the state percent of U.S. per capita incomes.

Table 1.11
Per Capita Personal Income Levels
Kansas, Neighboring States, and U.S., 1980, 1985 and 1990

| | Per Capita Income Levels | | | Percent of U.S. Level | | |
|----------------|--------------------------|----------|----------|-----------------------|-------|-------|
| | 1980 | 1985 | 1990 | 1980 | 1985 | 1990 |
| Kansas | \$9,941 | \$13,812 | \$17,896 | 100.2% | 99.4% | 95.8% |
| Missouri | 9,298 | 13,250 | 17,497 | 93.7 | 95.4 | 93.6 |
| Iowa | 9,537 | 12,619 | 17,249 | 96.1 | 90.8 | 92.3 |
| Nebraska | 9,274 | 12,967 | 17,221 | 93.5 | 93.3 | 92.2 |
| Colorado | 10,598 | 14,699 | 18,794 | 106.8 | 105.7 | 100.6 |
| Oklahoma | 9,393 | 12,139 | 15,444 | 94.6 | 87.4 | 82.7 |
| Plains Region* | 9,534 | 13,273 | 17,663 | 96.1 | 95.5 | 94.5 |
| U.S. | 9,919 | 13,896 | 18,685 | | | |

Source: U.S. Department of Commerce, Bureau of Economic Analysis, *Regional Economic Information System, Table SA2*.

*Note: Plains Region includes the states of: Iowa, Kansas, Minnesota, Missouri, Nebraska, North Dakota and South Dakota.

- Per capita incomes in Kansas non-metropolitan areas (\$13,493) were 32 percent lower than those of metropolitan areas (\$19,740) in 1990. This represented a relative decline for non-metropolitan areas since 1980, from a differential of 19 percent.

Table 1.12
Per Capita Personal Income Levels
Kansas Metropolitan and Non-Metropolitan Counties, 1980-1990

| | 1980 | 1985 | 1990 |
|------------------|----------|----------|----------|
| Metropolitan | \$11,011 | \$14,952 | \$19,740 |
| Non-Metropolitan | 8,933 | 13,306 | 16,145 |
| State of Kansas | 9,941 | 13,930 | 18,104 |
| U.S. | 9,919 | 13,942 | 18,685 |

Source: U.S. Department of Commerce, Bureau of Economic Analysis, *Regional Economic Information System, Table CA5*.

- The composition of income varies considerably between non-metropolitan counties and the state as a whole. Only 47 percent of personal income in non-metropolitan counties is attributable to employment, compared with a state-wide share of 58 percent.
- Property income, in the form of dividends, interest and rent is more important in non-metropolitan areas (20.3 vs. 18.4% in Kansas), as is Transfer payments (17.1% vs. 14.0%).

Table 1.13
Percentage of Personal Income, by Source, 1986-1990 Average
Non-metropolitan Counties and Kansas Totals

| | <u>Wages & Labor</u> | <u>Proprietorships</u> | | <u>Property</u> | <u>Transfers</u> |
|------------------|--------------------------|------------------------|-----------------|-----------------|------------------|
| | | <u>Farm</u> | <u>Non-Farm</u> | | |
| Non-metropolitan | 46.7% | 7.6% | 9.1% | 20.3% | 17.1% |
| Kansas Totals | 58.2 | 3.5 | 8.1 | 18.4 | 14.0 |

Source: Calculations by KU-IPPBR on data from U.S. Department of Commerce, Bureau of Economic Analysis, *Regional Economic Information System, Table CA5*. Shares do not total 100% since adjustments for residence and social security premium payments are not included.

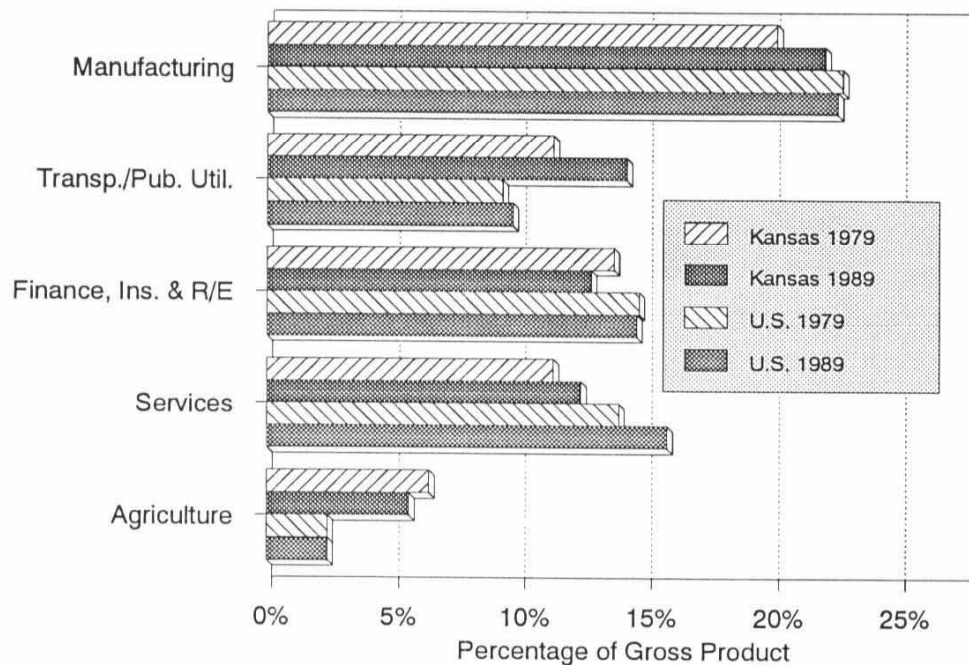
- Kansas is a small business state. Of businesses with employees (i.e., excluding self-employed proprietors), over 88 percent of Kansas firms have 19 or fewer employees; fully 96 percent of Kansas firms employ fewer than 49 people.
- Net job creation in Kansas however, has been dominated by larger firms. Firms employing 50 or more (4.2% of Kansas firms) have accounted for nearly 60 percent of net new wage-earning jobs since 1980. This is a greater concentration of job creation than the U.S. average; these size firms accounted for 5 percent of U.S. firms and 54 percent of net new jobs in the U.S. over the same period.

Table 1.14
Net Job Creation by Size of Firm
Firms with Employees, Kansas and U.S. 1980-1989

| Firm Size (# of Employees) | <u>Percent of Firms, 1989</u> | | <u>Percent of Net Job Creation 1980-89</u> | |
|-------------------------------|-------------------------------|-------------|--|-------------|
| | <u>Kansas</u> | <u>U.S.</u> | <u>Kansas</u> | <u>U.S.</u> |
| 1-9 | 76.1% | 74.5% | 12.7% | 14.8% |
| 10-19 | 12.2 | 12.4 | 12.6 | 12.4 |
| 20-49 | 7.7 | 8.1 | 14.8 | 18.4 |
| 50-99 | 2.5 | 2.8 | 19.2 | 15.3 |
| 100-249 | 1.3 | 1.6 | 24.7 | 20.3 |
| 250+ | 0.4 | 0.6 | 15.9 | 18.8 |

Source: Calculations by KU-IPPBR using data from U.S. Bureau of the Census, *County Business Patterns*

Figure 1.9
Gross Product Shares, Selected Industries
Kansas and U.S., 1979 and 1989



Source: Federal Reserve Bank of Kansas City, *Economic Review*, Second Quarter, 1992.

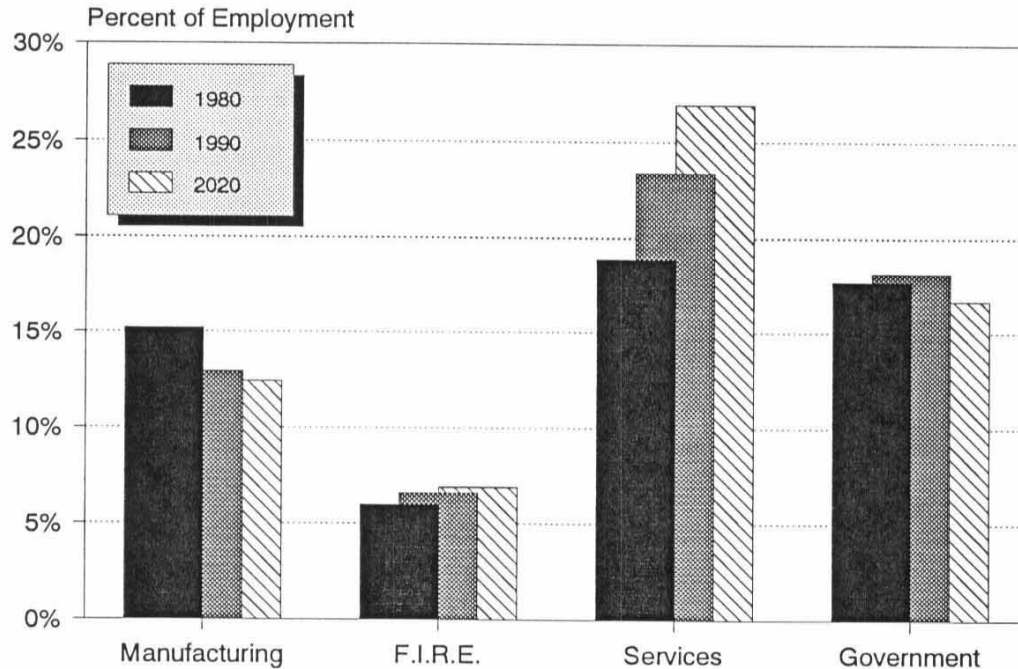
- Kansas' industrial performance relative to the U.S. during the 1980s has been mixed. Transportation and Public Utilities, a Kansas strength, grew rapidly during the 1980s, accounting for 14.2 percent of Kansas output in 1989, compared with the U.S. average of only 9.7 percent. Manufacturing, not one of Kansas' strong suits in 1979, grew to 22 percent of output by 1989, nearly equalling the U.S. average share (22.5%).
- Finance, insurance and real estate, relatively underdeveloped in Kansas in 1979 at 13.7 percent of output, declined further to 12.8 percent during the 1980s, while the industry maintained its share of output nationwide.
- Services grew in importance in Kansas to 12.4 percent of output, but continued to lag the U.S. average of 15.8 percent of output from this industry.
- Agriculture in Kansas accounted for 5.6 percent of output, more than double the nationwide share of output from this industry; agricultural output in 1989 in Kansas was down from 6.4 percent in 1979.

Table 1.15
Output Shares by Major Industry Category
Kansas, and U.S., 1979 and 1989

| <u>Industry Category</u> | Percentage Share of Total Gross Product | | | |
|----------------------------------|---|-------------|-------------|-------------|
| | <u>Kansas</u> | | <u>U.S.</u> | |
| | <u>1979</u> | <u>1989</u> | <u>1979</u> | <u>1989</u> |
| Agriculture | 6.4% | 5.6% | 2.4% | 2.4% |
| Mining | 6.0 | 2.8 | 4.5 | 3.1 |
| Construction | 5.2 | 3.2 | 5.3 | 4.3 |
| Manufacturing | 20.1 | 22.0 | 22.7 | 22.5 |
| Transportation | 11.3 | 14.2 | 9.3 | 9.7 |
| Wholesale Trade | 6.3 | 6.9 | 6.3 | 7.4 |
| Retail Trade | 8.9 | 9.6 | 9.3 | 10.0 |
| Finance, Insurance & Real Estate | 13.7 | 12.8 | 14.7 | 14.6 |
| Services | 11.3 | 12.4 | 13.9 | 15.8 |
| Government | 10.8 | 10.5 | 11.7 | 10.1 |

Source: Federal Reserve Bank of Kansas City, *Economic Review*, Second Quarter, 1992.

Figure 1.10
 Employment Shares, Selected Industries
 Kansas, 1980, 1990 and 2020



Source: Bureau of Economic Analysis, Regional Economic Information System, Table CA25, *Full and Part-Time Employees by Major Industry* and *BEA Regional Projections*, June 1990.

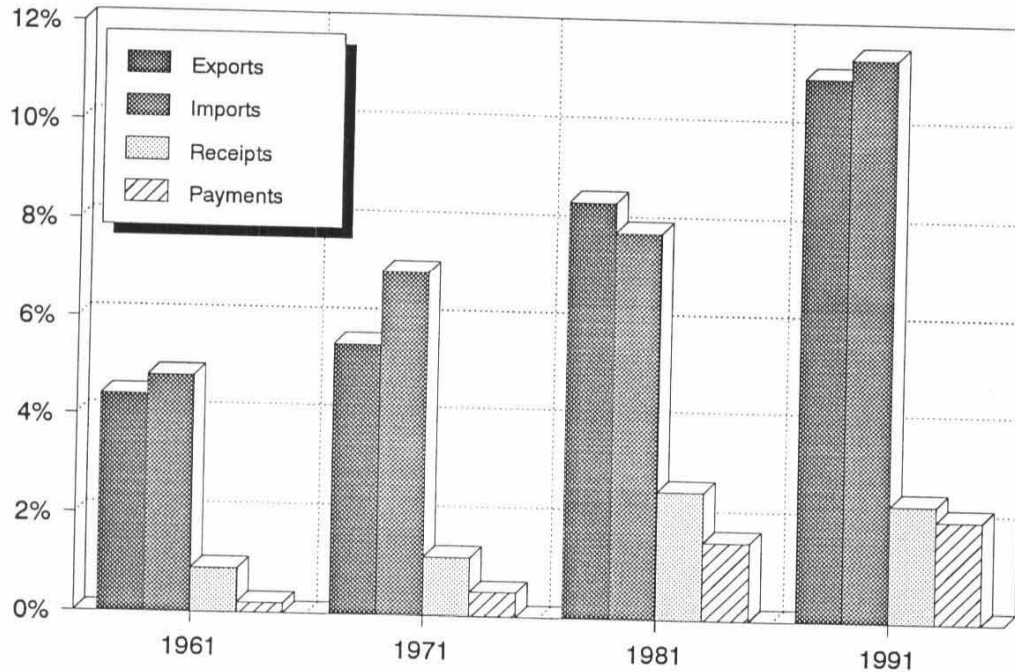
- The services industry is expected to continue to grow in importance in Kansas. By the year 2020, Services will account for nearly 27 percent of all jobs, compared with 23 percent in 1990 and 18.9 percent in 1980.
- Government employment, which increased in importance during the 1980s to 18 percent of Kansas employment, is expected to occupy a 16.7 percent share of all jobs in the year 2020.
- Manufacturing is projected to continue to decline in relative importance, from 1990's 12.9 percent share of employment to 12.4 percent in 2020.

Table 1.16
 Employment Shares by Major Industry Category
 State of Kansas, 1980, 1990 and 2020

| | Percentage Share of Total Employment | | |
|----------------------------------|--------------------------------------|------|------|
| | 1980 | 1990 | 2020 |
| <u>Farm</u> | 7.9% | 5.7% | 4.6% |
| <u>Non-Farm Private Sector</u> | 74.7 | 76.1 | 78.7 |
| Agricultural Services | 0.5 | 0.7 | 1.1 |
| Mining | 2.1 | 1.8 | 1.7 |
| Construction | 5.1 | 4.6 | 4.2 |
| Manufacturing | 15.2 | 12.9 | 12.4 |
| Transportation/Public Utilities | 5.6 | 5.2 | 4.9 |
| Wholesale | 5.3 | 5.0 | 4.9 |
| Retail | 15.4 | 15.8 | 15.7 |
| Finance, Insurance & Real Estate | 6.0 | 6.6 | 6.9 |
| Services | 18.9 | 23.4 | 26.9 |
| <u>Government</u> | 17.7 | 18.2 | 16.7 |

Source: Bureau of Economic Analysis, Regional Economic Information System, Table SA25, *Full and Part-Time Employees by Major Industry* and *BEA Regional Projections*, June 1990.

Figure 1.11
Exports, Imports and Foreign Investment
Percentage Share of GDP, 1961-1991



Source: *Economic Report of the President*, February 1992, Tables B-1, B-2, B-100.

* Foreign investment data (only) shown as 1991 is 1990 data.

- The U.S. economy has become much more interdependent with the economies of other nations over the past thirty years. Since 1961, exports have increased from slightly over 4 percent of Gross Domestic Product to over 11 percent in 1991. Meanwhile, imports have increased from 4.8 percent to 11.5 percent of GDP.
- Direct investment abroad and domestic investment by foreign firms have also increased dramatically, further tying the U.S. economy with international economies. In 1990, payments on foreign investments in the U.S. accounted for ten times the share of GDP that they did in 1961, while receipts on U.S. assets invested abroad nearly tripled from 1961 levels.

Table 1.17
U.S. Exports and Imports and Foreign Investment Income
Percentage Share of U.S. Gross Domestic Product, 1961-1991

| | <u>1961</u> | <u>1971</u> | <u>1981</u> | <u>1991*</u> |
|--------------------------------------|-------------|-------------|-------------|--------------|
| Exports of Goods & Services | 4.4% | 5.5% | 8.5% | 11.1% |
| (Imports) of Goods & Services | (4.8) | (7.0) | (7.9) | (11.5) |
| Receipts on U.S. Assets Abroad | .9 | 1.2 | 2.6 | 2.4 |
| (Payments) on Foreign Assets in U.S. | (.2) | (0.5) | (1.6) | (2.1) |

Source: *Economic Report of the President*, February 1992, Tables B-1, B-2, B-100.

* Foreign investment data (only) shown in 1991 column is 1990 data.

- Levels of taxation in Kansas are generally consistent with those of the neighboring states. At \$2,461, state and local taxes per capita are about 8 percent lower than the national average.
- Kansas relies more heavily upon local taxation than most of the neighboring states. At \$1,468, local taxes per capita are more than twice the national average, ranking Kansas 19th in the nation.
- Levels of state taxes in Kansas are 14 percent lower than the national average, ranking Kansas 33rd in terms of per capita state level taxes. When taxation levels from state and local levels of governments are combined, Kansas ranked 29th in the nation.

Table 1.18
State and Local Taxes Per Capita
Kansas, Neighboring States and U.S., 1988-1989

| | <u>Level of Taxation and Nationwide Rank</u> | | | | | |
|----------|--|-------------|--------------|-------------|--------------|-------------|
| | <u>State</u> | <u>Rank</u> | <u>Local</u> | <u>Rank</u> | <u>Total</u> | <u>Rank</u> |
| Kansas | \$993 | 33 | \$1,468 | 19 | \$2,461 | 29 |
| Missouri | 908 | 38 | 1,096 | 42 | 2,004 | 45 |
| Iowa | 1,112 | 22 | 1,431 | 27 | 2,543 | 25 |
| Nebraska | 900 | 42 | 1,647 | 10 | 2,547 | 24 |
| Colorado | 875 | 45 | 1,781 | 5 | 2,656 | 19 |
| Oklahoma | 1,027 | 29 | 1,149 | 40 | 2,176 | 40 |
| U.S. | 1,147 | | 648 | | 2,659 | |

Source: U.S. Bureau of the Census, *State Government Finances in 1989*; *Governmental Finances in 1988-89*; Calculations by the Institute for Public Policy and Business Research.

Section II: Population

Population size and economic activity are closely related. Changes in population size are directly linked to employment opportunities, wage differentials between regions, and a community's overall economic conditions and quality of life. Generally, areas of population growth are also areas of economic growth, whereas areas of population loss suffered previous economic decline and restructuring.

Communities with growing populations are generally regarded to be more able to adapt to a changing economic environment due to the opportunities presented by new residents as additional consumers, taxpayers and suppliers of labor. Without population growth, communities face problems of a tightening labor market, lack of new customers for businesses, a shrinking tax base, and an overall decline in economic activity.

The following section examines population levels, population change, migration, age composition and other population characteristics for McPherson County, the State of Kansas, and selected neighboring counties as comparatives. Population characteristics are regarded as indicators of a region's economic conditions and economic potential for the following reasons:

- *The level of McPherson County's population* relative to the state population reflects the county's overall level of competitiveness with respect to other regions within the state. A minimum population is necessary to sustain a basic level of public and private services and facilities.
- *Past and projected population change* is indicative of community economic trends and can be compared to other counties and the statewide and national averages.
- *Migration* is linked to job opportunities and demand as well as wage differentials between regions. Counties with low rates of job creation and low wages will face higher worker mobility due to a "push" factor (lack of opportunity) or a "pull" phenomenon by urban areas with higher wages, better job opportunities, and a perceived better quality of life. Other determinants of regional migration are age and education. Generally, there is a life cycle pattern to migration with the population aged 18 to 45 being the most mobile age group. The effect of education on migration is reflected by the movement of well-educated workers toward better job matches for themselves and their spouses and their attempts to raise their income levels by migrating to areas with employment opportunities.

- *The age composition of the population* is relevant with respect to the labor supply. A youthful population supplies the labor market with new workers whereas an older population will eventually create constraints on labor markets and increasing demands for social security, health care programs, and public services and assistance. The aging of the population is a statewide and national phenomenon due to better health care and a decline in birth rates. However, aging of the population is more severe in rural America due to out-migration of the younger generation.
- *The distribution of urban and rural population* is studied to understand how concentrated or dispersed the population is. A more concentrated population tends to have a higher demand for all categories of services, which affects the sectoral pattern of economic development.
- *The ethnic composition of the population* shows the diversity of backgrounds of the population and the need to consider a wide range of viewpoints in developing appropriate plans for the community.

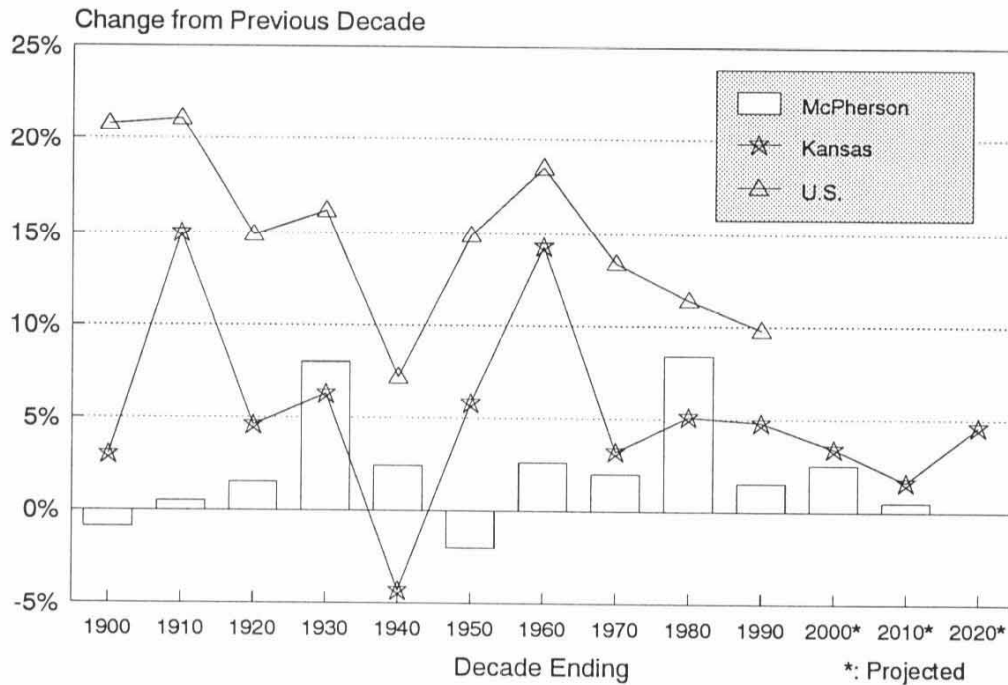
POPULATION: KEY FINDINGS

- McPherson County gained population in every decade since 1890 except those ending in 1900 and 1950, with the largest increase occurring between 1970 and 1980.
- For the period 1980 to 1990, McPherson County's rate of population increase (1.5%) declined from previous decades, but compared favorably with the group of counties selected as medium and adjacent comparatives (-1.1% and -1.1%, respectively).
- Between 1950 and 1990, the city of McPherson grew by 43 percent, roughly equalling the growth rate in Newton and doubling the growth rate of Great Bend.
- Population growth is projected to level off in McPherson County after 2000, with virtually no increase in population expected between the years 2000 and 2020.
- Movers out of McPherson County exceeded movers into the county by 975 during the 1980 to 1990 period. This accounted for a -3.6% change in population levels, which was more than offset by natural increase in population (births minus deaths). McPherson's net migration rate compared favorably with virtually all of the adjacent and medium sized comparative counties.
- In 1990, the urban-rural distribution of population in McPherson County was 57% urban and 43% rural.
- McPherson County's share of under-18 population is less than that of most adjacent counties, while its share of over-65 population is higher than any comparative county, at 17.4 percent. This compared with 13.8 percent for Kansas.
- The proportion of the working-age population is 56.5% in McPherson County compared to 59.5% for the state and 61.8% for the U.S. By the year 2020, 18.8 percent of McPherson's population will be over 65 years of age. More than one-third of the population will be outside the 18-65 age category normally considered to be the prime working age categories.
- The median age of the McPherson County population has increased from 31.8 years in 1980 to 34.7 in 1990, similar to trends experienced in comparative counties. McPherson County's median age is higher than the statewide and national average of 32.9 and is higher than nearly all of the comparative counties.
- McPherson County has a relatively small proportion of racial and ethnic minorities compared to the state and the U.S.

POPULATION: DATA ANALYSIS

Figure 2.1

Ten-year Population Growth Rates McPherson County, Kansas & U.S.



Source: Population Totals: U.S. Bureau of the Census, *Fifteenth Census of the United States, 1930*, Vol. 1; *Census of Population, 1960: Number of Inhabitants*; *1980 Census of Population*, PC80-1-A-18; *1990 Census of Population*, STF1-A. Population Projections: Upmeier, Helga and Anthony Redwood, "Kansas Population Trends and Projections," *Kansas Business Review*, Vol. 12, No. 4, Summer 1989.

- Since 1950, McPherson County's population has grown by an average of 500 each decade.
- Population in McPherson County reached its peak in 1990 with 27,268 people. This represented a 27.3% increase since the beginning of the century.
- Except for the decade between 1940 and 1950, McPherson County has experienced population growth throughout this century. Although the rates of increase have been relatively small, they have been steady. The rate of increase peaked between 1970 and 1980 at 8.4%.

Table 2.1
Population Totals, Ten-Year Growth Rates and Ranking
Actual 1890-1990, Projection 1990-2020

| Year | Population Totals | | | Ten-Year Growth Rates | | | |
|-------|---------------------|-----------|--------------------|-----------------------|--------|-------|----------------|
| | McPherson County | Kansas | U.S. (millions) | McPherson County | Kansas | U.S. | County Rank |
| 1890 | 21,614 | 1,428,108 | 62.9 | | | | 21 |
| 1900 | 21,421 | 1,470,495 | 76.0 | -0.9% | 3.0% | 20.8% | 23 |
| 1910 | 21,521 | 1,690,949 | 92.0 | 0.5 | 15.0 | 21.1 | 22 |
| 1920 | 21,845 | 1,769,257 | 105.7 | 1.5 | 4.6 | 14.9 | 24 |
| 1930 | 23,588 | 1,880,999 | 122.8 | 8.0 | 6.3 | 16.2 | 19 |
| 1940 | 24,152 | 1,801,028 | 131.7 | 2.4 | -4.3 | 7.2 | 18 |
| 1950 | 23,670 | 1,905,299 | 151.3 | -2.0 | 5.8 | 14.9 | 18 |
| 1960 | 24,285 | 2,178,611 | 179.3 | 2.6 | 14.3 | 18.5 | 20 |
| 1970 | 24,778 | 2,249,071 | 203.3 | 2.0 | 3.2 | 13.4 | 19 |
| 1980 | 26,855 | 2,364,236 | 226.5 | 8.4 | 5.1 | 11.4 | 18 |
| 1990 | 27,268 | 2,477,574 | 248.7 | 1.5 | 4.8 | 9.8 | 20 |
| 2000* | 27,946 | 2,562,890 | N/A | 2.5 | 3.4 | N/A | 19 |
| 2010* | 28,087 | 2,604,664 | N/A | 0.5 | 1.6 | N/A | 19 |
| 2020* | 28,091 | 2,723,689 | N/A | 0.0 | 4.6 | N/A | 21 |

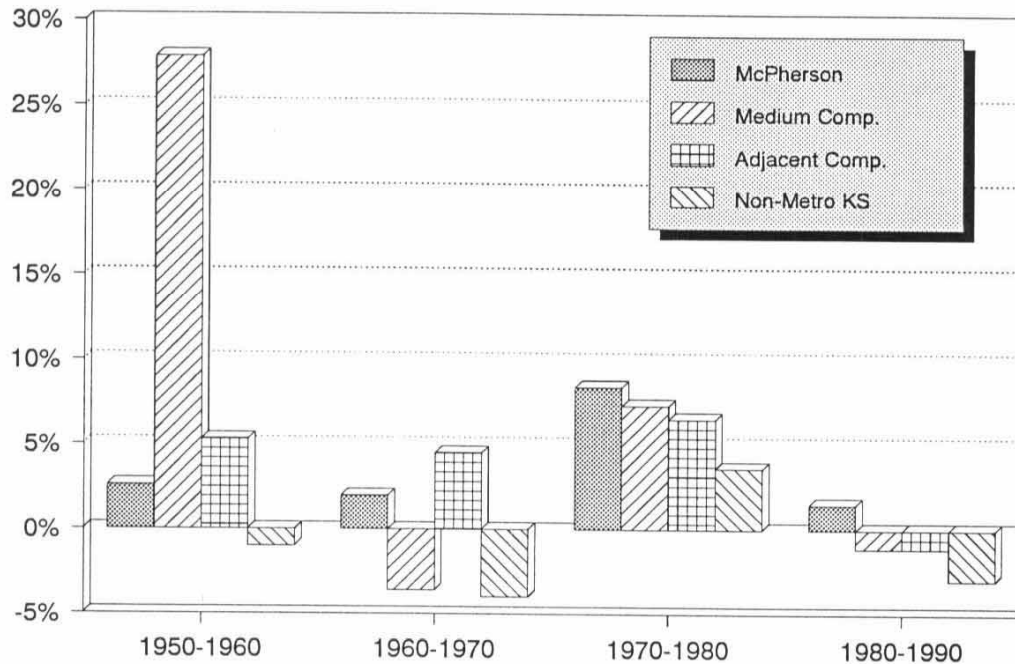
*Projection.

Source: Population Totals: U.S. Bureau of the Census, *Fifteenth Census of the United States, 1930*, Vol. 1; *Census of Population, 1960: Number of Inhabitants*; *1980 Census of Population*, PC80-1-A-18; *1990 Census of Population*, STF1-A. Population Projections: State of Kansas, Office of the Budget, State Demographer, 1992.

- McPherson County gained population in every decade since 1890 except those ending in 1900 and 1950, with the largest increase occurring between 1970 and 1980.
- While McPherson County gained population for the last 70 years, the Kansas population also grew slowly but steadily during the same period of time. However, Kansas' rates of population growth were only half of the U.S. average.
- Population growth is projected to level off in McPherson County after 2000, with virtually no increase in population expected between the years 2000 and 2020.
- Population growth in Kansas is expected to moderate to rates about two-thirds of current growth rates.

Figure 2.2

Rate of Population Change, 1950-1990 McPherson, Comparative, Non-Metro Counties



Source: U.S. Bureau of the Census, *Census of Population, 1960: Number of Inhabitants, Final Report*; *1980 Census of Population, PC80-1-A-18*; *1990 Census of Population, STF1-A*; State of Kansas, Division of the Budget, State Demographer, 1992.

- For the period 1980 to 1990, McPherson County's rate of population increase (1.5%) declined from previous decades, but compared favorably with the group of counties selected as medium and adjacent comparatives (-1.1% and -1.1%, respectively).
- While several of the adjacent comparative counties experienced population declines between 1980 and 1990, McPherson County's population grew by 1.5 percent.

Table 2.2
Population Totals
McPherson, Comparative Counties, Kansas and U.S., 1950-1990

| | 1950 | 1960 | 1970 | 1980 | 1990 |
|-----------------------|-----------|-----------|-----------|-----------|-----------|
| McPherson | 23,670 | 24,285 | 24,778 | 26,855 | 27,268 |
| Johnson | 62,783 | 143,792 | 220,073 | 270,269 | 355,054 |
| Sedgwick | 222,290 | 343,231 | 350,694 | 367,088 | 403,662 |
| Metro Comparatives | 285,073 | 487,023 | 570,767 | 637,357 | 758,716 |
| Reno | 54,058 | 59,055 | 60,765 | 64,938 | 62,389 |
| Saline | 33,409 | 54,715 | 46,592 | 48,905 | 49,301 |
| Harvey | 21,698 | 25,865 | 27,236 | 30,531 | 31,028 |
| Medium Comparatives | 109,165 | 139,635 | 134,593 | 144,374 | 142,718 |
| Barton | 29,909 | 32,368 | 30,663 | 31,343 | 29,382 |
| Ellis | 19,043 | 21,270 | 24,730 | 26,098 | 26,004 |
| Franklin | 19,928 | 19,548 | 20,007 | 22,062 | 21,994 |
| Lyon | 26,576 | 26,928 | 32,071 | 35,108 | 34,732 |
| Sumner | 23,646 | 25,316 | 23,553 | 24,928 | 25,841 |
| Adjacent Comparatives | 119,102 | 125,430 | 131,024 | 139,539 | 137,953 |
| Kansas Non-Metro | 1,200,649 | 1,188,091 | 1,139,717 | 1,180,204 | 1,144,646 |
| Kansas | 1,905,299 | 2,178,611 | 2,249,071 | 2,364,236 | 2,477,574 |
| U.S. (millions) | 151.3 | 179.3 | 203.3 | 226.5 | 248.7 |

Source: U.S. Bureau of the Census, *Census of Population, 1960: Number of Inhabitants*, Final Report; 1980 *Census of Population*, PC80-1-A-18; 1990 *Census of Population*, STF1-A.

Table 2.3
Population Ten-Year Growth Rates
McPherson, Comparative Counties, Kansas and U.S., 1950-1990

| | Area Population Change, 1950-1990 | | | |
|-----------------------|-----------------------------------|-----------|-----------|-----------|
| | 1950-1960 | 1960-1970 | 1970-1980 | 1980-1990 |
| McPherson | 2.6% | 2.0% | 8.4% | 1.5% |
| Johnson | 129.0 | 53.0 | 22.8 | 31.4 |
| Sedgwick | 54.4 | 2.2 | 4.7 | 10.0 |
| Metro Comparatives | 70.8 | 17.2 | 11.7 | 19.0 |
| Reno | 9.2 | 2.9 | 6.9 | -3.9 |
| Saline | 63.8 | -14.8 | 5.0 | 0.8 |
| Harvey | 19.2 | 5.3 | 12.1 | 1.6 |
| Medium Comparatives | 27.9 | -3.6 | 7.3 | -1.1 |
| Barton | 8.2 | -5.3 | 2.2 | -6.3 |
| Ellis | 11.7 | 16.3 | 5.5 | -0.3 |
| Franklin | -1.9 | 2.3 | 10.3 | -0.3 |
| Lyon | 1.3 | 19.1 | 9.5 | -1.1 |
| Sumner | 7.1 | -7.0 | 5.8 | 3.7 |
| Adjacent Comparatives | 5.3 | 4.5 | 6.5 | -1.1 |
| Kansas Non-Metro | -1.0 | -4.0 | 3.6 | -3.0 |
| Kansas | 14.3 | 3.2 | 5.1 | 4.8 |
| U.S. (millions) | 18.5 | 13.4 | 11.4 | 9.8 |

Source: U.S. Bureau of the Census, *Census of Population, 1960: Number of Inhabitants*, Final Report; 1980 *Census of Population*, PC80-1-A-18; 1990 *Census of Population*, STF1-A.

Table 2.4
County Population Ranking in the State
McPherson, Trade Area and Comparative Counties, 1940, 1990, and 2020 (in thousands)

| <u>1940</u> | | <u>1990</u> | | <u>2020 (Projected)</u> | |
|-------------|---------------------------------|-------------|---------------------------------|-------------------------|---------------------------------|
| <u>Rank</u> | <u>Pop.</u> | <u>Rank</u> | <u>Pop.</u> | <u>Rank</u> | <u>Pop.</u> |
| 2 | Sedgwick 143.3 | 1 | Sedgwick 403.7 | 1 | Johnson 624.1 |
| 4 | Reno 52.2 | 2 | Johnson 355.1 | 2 | Sedgwick 478.3 |
| 9 | Johnson 33.3 | 8 | Reno 62.4 | 10 | Reno 54.2 |
| 13 | Saline 29.5 | 10 | Saline 49.3 | 11 | Saline 43.9 |
| 14 | Lyon 26.4 | 14 | Lyon 34.7 | 15 | Lyon 37.3 |
| 15 | Sumner 26.2 | 16 | Harvey 31.0 | 18 | Harvey 31.9 |
| 17 | Barton 25.0 | 18 | Barton 29.4 | 20 | Sumner 29.3 |
| 18 | McPherson 24.2 | 20 | McPherson 27.3 | 21 | McPherson 28.1 |
| 22 | Harvey 21.7 | 21 | Ellis 26.0 | 22 | Ellis 26.3 |
| 25 | Franklin 20.9 | 22 | Sumner 25.8 | 24 | Barton 25.4 |
| 31 | Ellis 17.5 | 25 | Franklin 22.0 | 26 | Franklin 22.5 |

Source: University of Kansas, IPPBR, *Kansas Statistical Abstract, 1989-90*, "Population of Kansas Counties, 1890-1980; U.S. Bureau of the Census, *Fifteenth Census of the United States, 1930*, Vol. 1; *Census of Population, 1960: Number of Inhabitants*; *1980 Census of Population*, Vol. 1, Chapter A, Part 18; *1990 Census of Population and Housing, Summary Population and Characteristics: Kansas*, CPH-1-18; State of Kansas, Division of the Budget, State Demographer, 1992.

- Relative to its comparative counties, McPherson County has maintained its population ranking.
- By the year 2020, McPherson is expected to be 21st largest of the 105 Kansas counties, with a population of about 28,100.

Table 2.5
Population Levels, Selected Cities
McPherson, Trade Area and Comparative Counties, 1950-1990

| <u>City</u> | <u>County</u> | <u>1950</u> | <u>1960</u> | <u>1970</u> | <u>1980</u> | <u>1990</u> | <u>Change 1950-1990</u> |
|----------------|---------------|-------------|-------------|-------------|-------------|-------------|-----------------------------|
| McPherson | McPherson | 8,689 | 9,996 | 10,851 | 11,753 | 12,422 | 43.0% |
| Lindsborg | McPherson | 2,383 | 2,609 | 2,764 | 3,155 | 3,076 | 29.1 |
| Moundridge | McPherson | 942 | 1,214 | 1,271 | 1,453 | 1,531 | 62.5 |
| Overland Park* | Johnson | -- | -- | 77,934 | 81,784 | 111,790 | 43.4 |
| Wichita | Sedgwick | 168,279 | 254,698 | 276,554 | 279,272 | 304,011 | 80.7 |
| Hutchinson | Reno | 33,575 | 37,574 | 36,885 | 40,284 | 39,308 | 17.1 |
| Salina | Saline | 26,176 | 43,202 | 37,714 | 41,843 | 42,303 | 61.6 |
| Newton | Harvey | 11,590 | 14,877 | 15,439 | 16,332 | 16,700 | 44.1 |
| Great Bend | Barton | 12,665 | 16,670 | 16,133 | 16,608 | 15,427 | 21.8 |
| Hays | Ellis | 8,625 | 11,947 | 15,396 | 16,301 | 17,767 | 106.0 |
| Emporia | Lyon | 15,669 | 18,190 | 23,327 | 25,287 | 25,512 | 62.8 |
| Ottawa | Franklin | 10,081 | 10,673 | 11,036 | 11,016 | 10,667 | 5.8 |
| Wellington | Sumner | 7,747 | 8,809 | 8,072 | 8,212 | 8,411 | 8.6 |

*Overland Park City incorporated from parts of Mission, Oxford and Shawnee Townships. Percent growth is calculated for 1970-1990.

Source: U.S. Department of Commerce, Bureau of the Census, Census of Population, *Number of Inhabitants*, 1960-PC(1)18A (Kansas); PC (80)-1-A18 (Kansas); *1990 Census of Population and Housing, Summary Population and Housing Characteristics, Kansas* (CPH-1-18).

- Between 1950 and 1990, the city of McPherson grew by 43 percent, roughly equalling the growth rate in Newton and doubling the growth rate of Great Bend. Between 1980 and 1990, McPherson grew by 5.7%, while Newton increased 2.2%, and Great Bend declined by 7.2%. Hays showed particularly rapid growth, increasing by 9.0 percent.
- Lindsborg and Moundridge have grown by 29.1% and 62.5%, respectively since 1950. From 1980 to 1990, Lindsborg declined in population by 2.5%, while Moundridge grew by 5.5 percent.

Figure 2.3
 Net Migration, 1960-1990
 McPherson, Comparatives & Kansas



Source: U.S. Bureau of the Census, Kansas Department of Health and Environment, and Kansas Division of the Budget, mimeographed sheet, 1991.

- Out-migration accelerated for the period of 1980 to 1990 after a decade of population growth and in-migration. Between 1980 and 1990, McPherson County lost 3.6% of its 1980 population, while most comparative counties reported about twice as great a percentage loss. Due to natural increase (number of births minus number of deaths) this change was not evident in overall population levels for McPherson.
- The metropolitan comparative counties showed consistent gains in net migration. During the 1980s, in-migration alone accounted for a 7.5% increase in population in these counties.

Table 2.6
 Net Migration, 1960-1990
 McPherson, Comparative Counties, and Kansas

| | Net Migration | | | Percent of Base Year Population | | |
|----------------|---------------|-----------|-----------|---------------------------------|-----------|-----------|
| | 1960-1970 | 1970-1980 | 1980-1990 | 1960-1970 | 1970-1980 | 1980-1990 |
| McPherson | -573 | 1,270 | -975 | -2.4% | 2.8% | -3.6% |
| Johnson | 49,946 | 29,117 | 54,783 | 34.7 | 13.2 | 20.3 |
| Sedgwick | -44,085 | -17,979 | -7,228 | -12.8 | -5.3 | -2.0 |
| Metro Comp. | 5,861 | 11,138 | 47,555 | 1.2 | 2.0 | 7.5 |
| Reno | -3,375 | 1,114 | -5,804 | -5.7 | -0.9 | -8.9 |
| Saline | -16,486 | -959 | -2,947 | -30.1 | -2.1 | -6.0 |
| Harvey | -498 | 1,894 | -1,042 | -1.9 | 2.6 | -3.4 |
| Adjacent Comp. | -20,359 | 2,049 | -9,793 | -14.6 | 1.5 | -6.8 |
| Barton | -5,148 | -1,031 | -4,369 | -15.9 | -3.4 | -13.9 |
| Ellis | 73 | 1,106 | -2,618 | 0.3 | 4.5 | -10.0 |
| Franklin | -200 | 1,467 | -1,052 | -1.0 | 7.3 | -4.8 |
| Lyon | 3,027 | 650 | -3,707 | 11.2 | 2.0 | -10.6 |
| Sumner | -2,607 | 1,060 | -30 | -10.3 | 4.5 | -0.1 |
| Medium Comp. | -4,855 | 3,252 | -11,776 | -3.9 | 2.5 | -8.4 |
| Kansas | -132,966 | -20,344 | -62,854 | -6.1 | -0.9 | -2.7 |

Source: U.S. Bureau of the Census, Kansas Department of Health and Environment, and Kansas Division of the Budget, mimeographed sheet, 1991.

Table 2.7
Urban and Rural Population Distribution
McPherson County and Kansas, 1930-1990

| Year | McPherson | | Kansas | |
|------|-----------|--------|-----------|-----------|
| | Urban | Rural | Urban | Rural |
| 1930 | 6,147 | 17,441 | 729,834 | 1,151,165 |
| 1940 | 7,194 | 16,958 | 753,941 | 1,047,087 |
| 1950 | 8,689 | 14,981 | 993,220 | 912,079 |
| 1960 | 12,605 | 11,680 | 1,328,741 | 849,870 |
| 1970 | 13,615 | 11,163 | 1,484,870 | 761,708 |
| 1980 | 14,908 | 11,947 | 1,575,899 | 787,780 |
| 1990 | 15,488 | 11,780 | 1,712,564 | 765,010 |

NOTE: 1930-1940 figures are based on the old urban definition while 1950-1990 are based on the current urban definition which now includes unincorporated urban areas.

Source: U.S. Bureau of the Census, *1960 Census of Population (PC(1)-18A)*; *1970 Census of the Population, General Population Characteristics (PC(1)-B18)*; *1980 Census of Population (PC80-1-B18)*; *1990 Census of Population and Housing, Summary Population and Housing Characteristics: Kansas (CPH-1-18)*.

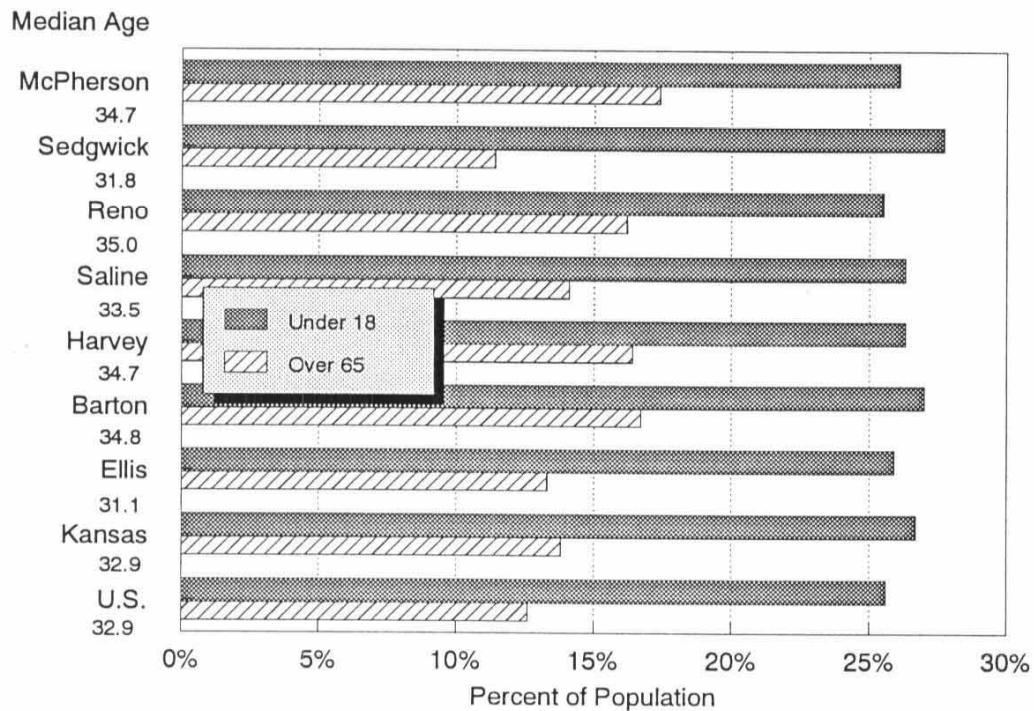
Table 2.8
Urban & Rural Population in McPherson County and Kansas, 1930-1990
Population Distribution and Growth Rates

| Year | Urban-Rural Population Distribution | | | | Urban & Rural Growth Rates | | | |
|------|-------------------------------------|-------|--------|-------|----------------------------|-------|--------|-------|
| | McPherson | | Kansas | | McPherson | | Kansas | |
| | Urban | Rural | Urban | Rural | Urban | Rural | Urban | Rural |
| 1930 | 26.1% | 73.9% | 38.8% | 61.2% | | | | |
| 1940 | 29.8 | 70.2 | 41.9 | 58.1 | 17.0% | -2.8% | 3.4% | -9.1% |
| 1950 | 36.7 | 63.3 | 52.1 | 47.9 | 20.8 | -11.7 | 31.5 | -12.8 |
| 1960 | 51.9 | 48.1 | 61.0 | 39.0 | 45.1 | -22.0 | 33.9 | -6.9 |
| 1970 | 54.9 | 45.1 | 66.0 | 34.0 | 8.0 | -4.4 | 11.7 | -10.0 |
| 1980 | 55.5 | 44.5 | 66.7 | 33.3 | 9.5 | 7.0 | 6.2 | 3.0 |
| 1990 | 56.8 | 43.2 | 69.1 | 30.9 | 3.9 | -1.4 | 8.6 | -2.9 |

Source: U.S. Bureau of the Census, *1960 Census of Population (PC(1)-18A)*; *1970 Census of the Population, General Population Characteristics (PC(1)-B18)*; *1980 Census of Population (PC80-1-B18)*; *1990 Census of Population and Housing, Summary Population and Housing Characteristics: Kansas, CPH-1-18*.

- In 1990, the urban-rural distribution of population in McPherson County was 57% urban and 43% rural.
- The proportion of the rural population in Kansas dropped from 61.2% to 30.9% between 1930 and 1990. The trend in McPherson County was similar, but not as pronounced.

Figure 2.4
 1990 Population Under 18, Over 65
 McPherson, Comparatives, Kansas and U.S.



Source: U.S. Bureau of the Census, 1990 Census of the Population, Summary Tape File 1A, *Characteristics of the Population*.

- McPherson County’s population differs from that of the state in that the working age population (18-65 years) is underrepresented compared to the over-65 population. In 1990, 56.5% of the population was in prime working age categories (18-65 years old), compared to 59.5% for the state. A low proportion of people in their prime working age with a high share of the dependent population (over 65 and under 18 years of age) is problematic with respect to shrinkage of the tax base.
- McPherson’s share of population under-18 is less than that of most adjacent counties, while its over-65 population is the highest proportion of any comparative county, at 17.4 percent. This compared with 13.8 percent for Kansas
- The median age of the McPherson County population increased from 31.8 in 1980 to 34.7 in 1990, similar to trends experienced in comparative counties. McPherson County’s median age (34.7 years) is higher than the statewide and national average (32.9) and was higher than that of all the comparatives except Reno and Harvey Counties.

Table 2.9
Age Composition
McPherson, Trade Area and Comparative Counties,
Kansas and U.S., 1990

| | <u>Percent of Population</u> | | |
|-----------|------------------------------|--------------|----------------|
| | <u>Under 18</u> | <u>18-65</u> | <u>Over 65</u> |
| McPherson | 26.1% | 56.5% | 17.4% |
| Johnson | 26.8 | 63.8 | 9.4 |
| Sedgwick | 27.7 | 60.9 | 11.4 |
| Reno | 25.5 | 58.8 | 16.2 |
| Saline | 26.3 | 59.6 | 14.1 |
| Harvey | 26.3 | 57.2 | 16.4 |
| Barton | 27.0 | 56.3 | 16.7 |
| Ellis | 25.9 | 60.1 | 13.3 |
| Franklin | 28.0 | 56.4 | 15.6 |
| Lyon | 26.8 | 61.0 | 12.3 |
| Sumner | 29.0 | 54.3 | 16.7 |
| Kansas | 26.7 | 59.5 | 13.8 |
| U.S. | 25.6 | 61.8 | 12.6 |

Source: U.S. Bureau of the Census, 1990 Census of the Population, Summary Tape File 1A, *Characteristics of the Population*.

Table 2.10
Median Age of the Population, 1980 and 1990
McPherson, Trade Area and Comparative Counties, Kansas and U.S.

| | <u>Median Age</u> | |
|-----------|-------------------|-------------|
| | <u>1980</u> | <u>1990</u> |
| McPherson | 31.8 | 34.7 |
| Johnson | 30.4 | 32.8 |
| Sedgwick | 28.8 | 31.8 |
| Reno | 30.7 | 35.0 |
| Saline | 29.6 | 33.5 |
| Harvey | 31.2 | 34.7 |
| Barton | 30.9 | 34.8 |
| Ellis | 25.7 | 31.1 |
| Franklin | 32.4 | 33.3 |
| Lyon | 26.3 | 29.1 |
| Sumner | 33.8 | 34.9 |
| Kansas | 30.1 | 32.9 |
| U.S. | 30.0 | 32.9 |

Source: U.S. Bureau of the Census, 1990 Census of the Population, Summary Tape File 1A, *Characteristics of the Population*.

Table 2.11
Population Shares by Age Group
McPherson County & Kansas, 1990-2020

| <u>Age Group</u> | <u>Actual Population</u> | | <u>Projected Shares of Population</u> | | | |
|-------------------------|--------------------------|--------------|---------------------------------------|-------------|-------------|-------------|
| | <u>1990</u> | <u>Share</u> | <u>2000</u> | <u>2010</u> | <u>2020</u> | |
| <u>McPherson County</u> | | | | | | |
| 0-4 | 1,903 | 7.0% | 6.3% | 6.3% | 5.8% | |
| 5-14 | 4,227 | 15.5 | 13.5 | 12.1 | 12.2 | |
| 15-24 | 3,731 | 13.7 | 14.8 | 13.8 | 12.0 | |
| 25-34 | 3,902 | 14.3 | 11.9 | 13.2 | 13.3 | |
| 35-44 | 3,794 | 13.9 | 19.1 | 11.8 | 12.9 | |
| 45-54 | 2,550 | 9.4 | 14.7 | 14.7 | 11.4 | |
| 55-64 | 2,416 | 8.9 | 8.9 | 13.3 | 13.6 | |
| 65+ | 4,745 | 17.4 | 14.9 | 14.8 | 18.8 | |
| Total | 27,268 | 100.0 | | | | |
| <u>State of Kansas</u> | | | | | | |
| <u>Age Group</u> | <u>Actual Population</u> | <u>Share</u> | <u>Projected Shares of Population</u> | <u>2000</u> | <u>2010</u> | <u>2020</u> |
| 0-4 | 188,390 | 7.6% | 6.6% | 6.6% | 6.6% | |
| 5-14 | 375,454 | 15.2 | 14.6 | 12.8 | 12.7 | |
| 15-24 | 352,263 | 14.2 | 14.5 | 14.0 | 12.3 | |
| 25-34 | 413,173 | 16.7 | 12.8 | 13.8 | 13.4 | |
| 35-44 | 361,326 | 14.6 | 16.5 | 12.1 | 13.2 | |
| 45-54 | 235,388 | 9.5 | 13.7 | 15.5 | 11.5 | |
| 55-64 | 209,009 | 8.4 | 8.5 | 1.3 | 16.8 | |
| <u>65+</u> | <u>342,571</u> | 13.8 | 12.7 | 13.0 | 16.8 | |
| Total | 2,477,574 | | | | | |

Source: Actual Population: U.S. Bureau of the Census, *1990 Census of Population and Housing, Summary Population and Housing Characteristics: Kansas*, CPH-1-18; Projected population shares from University of Kansas, Institute for Public Policy and Business Research, *Kansas Population Projections*, 1988.

- By the year 2020, 18.8 percent of McPherson's population will be over 65 years of age. More than one-third of the population will be outside the 18-65 age category normally considered to be the prime working age categories.

Table 2.12
Ethnic Composition of the Population, 1980 and 1990
McPherson County and Kansas

| | <u>Population by Race</u> | | | | <u>Percent of Total Population</u> | | | |
|------------------------|---------------------------|--------|---------------|-----------|------------------------------------|-------|---------------|-------|
| | <u>McPherson County</u> | | <u>Kansas</u> | | <u>McPherson County</u> | | <u>Kansas</u> | |
| White | 26,373 | 26,663 | 2,168,221 | 2,231,986 | 98.2% | 97.8% | 91.8% | 90.1% |
| Black | 184 | 211 | 126,127 | 143,076 | 0.7 | 0.8 | 5.3 | 5.8 |
| American Indian | 69 | 108 | 15,373 | 21,965 | 0.3 | 0.4 | 0.7 | 0.9 |
| Asian/Pacific Islander | 111 | 125 | 15,078 | 31,750 | 0.4 | 0.5 | 0.6 | 1.3 |
| Other Race | 118 | 161 | 38,880 | 48,797 | 0.4 | 0.6 | 2.0 | 2.0 |
| Hispanic (any race) | 250 | 325 | 63,339 | 93,670 | 0.9 | 1.2 | 2.7 | 3.8 |
| Total Population | 26,855 | 27,268 | 2,363,679 | 2,477,574 | | | | |

Source: U.S. Bureau of the Census, 1980 and 1990 Census of the Population, Summary Tape File 1A, *Characteristics of the Population*.

- McPherson County has a relatively small proportion of racial and ethnic minorities compared to the state and the U.S.
- The number of minorities increased in McPherson County between 1980 and 1990. The number of African Americans increased from 184 to 211, while the number of Hispanics increased from 250 to 325, and the number of Native Americans increased from 69 to 108.

Section III: Education

As present and future jobs begin to require higher skilled employees, the education of the local workforce becomes a high priority. The ideal local labor market, in terms of being attractive and conducive to business growth, has an ample supply of workers who have basic skills, advanced skills, and a strong work ethic. A higher concentration of lower skilled workers means that the community must rely on low skilled jobs with low wages in industries which are either mature or declining. This, in turn, means that unemployment may be a continual or cyclical problem as these firms go out of business due to competition or obsolescence.

Education refers not only to K-12 instruction, but higher education at universities and community colleges as well. Equally valuable are workers possessing a strong, adaptable technical education from an area vocational technical school (AVTS), community college or other technical institution. This section presents the following measures of education for McPherson County, comparative counties, and the state of Kansas:

- *The highest level of completed education, ages 25 and over* demonstrates the average length of education for county residents. Lower levels may be indicative of lower skilled, less adaptable workers, while higher levels may mean a better opportunity to create, attract, and retain high growth, highly productive businesses.
- *The full time enrollment figures* provide an indication of the number of students in grades K-12. These are the people currently in the educational system that will be the workers of tomorrow.
- *The expenditure per pupil* reflects the financial expenditure being used to finance one year's education to a student in the public education system. Traditionally, higher expenditures per pupil have reflected the district's willingness to invest in the education of their children. However, lower expenditures per pupil may indicate an efficient school system that can deliver quality education at lower costs. High expenditures per pupil may be indicative of districts with low enrollments and fixed overhead costs.
- *The high school dropout rate* indicates the relative completion rate of high school students. High dropout rates may be the result of difficult economic or social situations. The result of high dropout rates is a workforce which is not properly prepared to participate in today's workplace without additional education.
- *The pupil-teacher ratios* compare the number of pupils and instructors in grades K-12. Low ratios suggest there may be opportunities for individual problem-solving and learning; increases in this ratio may indicate growing budgetary pressures on school districts.

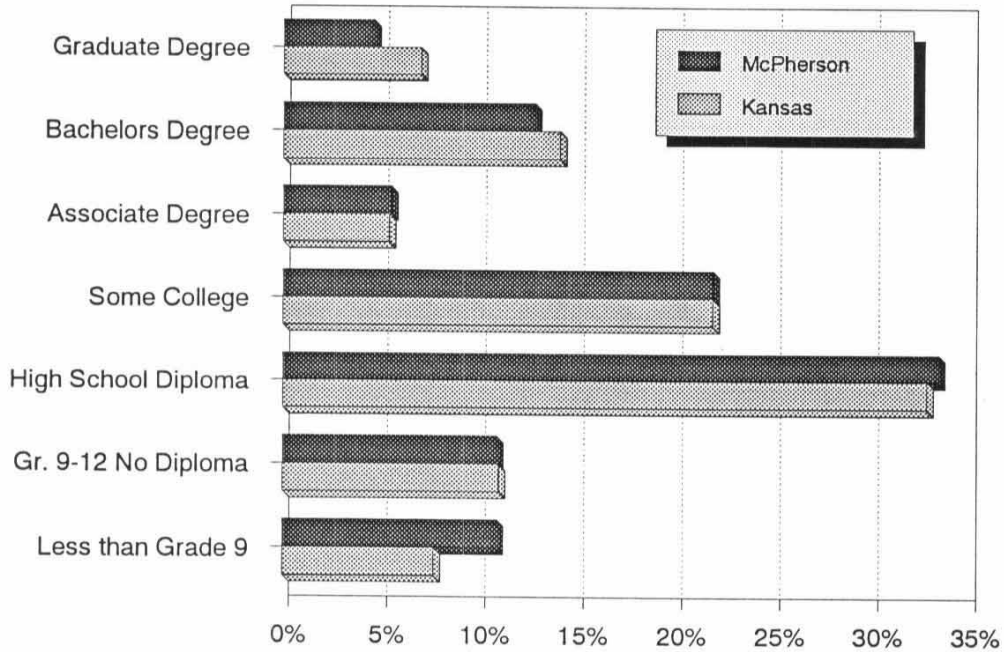
EDUCATION: KEY FINDINGS

- The Kansas percentage of over-25 population completing either two- or four-year college programs was 26.5 percent, compared with McPherson's 22.9 percent.
- McPherson County had a smaller percentage of residents, ages 25 and over, who had completed college in 1990 (22.9%) than did six of the ten comparative counties.
- Persons with a grade 8 education or less in McPherson County represented 17.3 percent of the over-25 population in 1980 and 10.9 percent in 1990. This figure remained much higher than the Kansas rate, which fell from 7.7 percent in 1980 to 4.3 percent in 1990.
- Enrollments in McPherson County showed a significant increase of 11.5 percent for the period from 1986-87 to 1991-92.
- Weighted expenditures per pupil increased by 20.7 percent from 1986 to 1992 in McPherson County. Despite a relatively rapid increase in enrollments, per pupil expenditures increased more slowly in McPherson than in seven of the ten comparative counties.
- High school dropout rates for both McPherson County and the state have shown an upward trend since the 1984-85 academic year.
- With the exception of the 1989-90 academic year, McPherson County's dropout rates have been much lower than the state rate. Over the seven years from 1984-85 to 1990-91, McPherson County dropout rates were about 30 percent lower than the Kansas rate.
- McPherson County's pupil-teacher ratio was lower than the averages for the metropolitan, adjacent, and medium comparison counties in both 1989-90 and 1990-91.

EDUCATION: DATA ANALYSIS

Figure 3.1

Highest Level of Education, 1990
Population Age 25+, McPherson & Kansas



Source: U.S. Bureau of the Census, 1990 Census of Population, Summary Tape File 3A.

- The Kansas percentage of Over-25 population completing either two- or four-year college programs was 26.5 percent, compared with McPherson’s 22.9 percent.
- McPherson County had a smaller percentage of residents, ages 25 and over, who had completed college in 1990 (22.9%) than did six of the ten comparative counties. Reno, Barton, Franklin and Lyon had lower completion rates. Four of the six counties with higher proportions of college educated populations have state universities within them.
- The proportion of McPherson County residents, ages 25 and older, with less than eight years of schooling (10.9%) is well above the state average (7.7%) and higher than nine of ten comparative counties.

Table 3.1
 Highest Level of Completed Education, Population 25 Years and Older
 McPherson, Comparative Counties and Kansas, 1990

| | <u>Graduate Degree</u> | <u>College</u> | | | <u>High School</u> | | <u>Elementary Less Than 9 Years</u> |
|-----------------|----------------------------|-----------------------------|-----------------------------|-------------------------|--------------------|-----------------------|---|
| | | <u>Bachelors Degree</u> | <u>Associate Degree</u> | <u>Some College</u> | <u>Diploma</u> | <u>No Diploma</u> | |
| McPherson | 4.6% | 12.8% | 5.5% | 21.9% | 33.4% | 10.9% | 10.9% |
| Metro Comp.: | | | | | | | |
| Johnson | 12.4 | 28.1 | 6.4 | 24.3 | 21.7 | 4.9 | 2.2 |
| Sedgwick | 6.8 | 15.4 | 4.8 | 23.5 | 32.0 | 12.0 | 5.6 |
| Adjacent Comp.: | | | | | | | |
| Reno | 4.5 | 10.5 | 7.3 | 23.4 | 31.9 | 14.4 | 8.2 |
| Saline | 6.0 | 11.6 | 6.1 | 21.9 | 36.8 | 11.1 | 6.4 |
| Harvey | 6.7 | 13.6 | 5.1 | 22.0 | 33.9 | 10.6 | 8.1 |
| Medium Comp.: | | | | | | | |
| Barton | 3.9 | 9.7 | 6.9 | 25.1 | 32.4 | 11.8 | 10.2 |
| Ellis | 6.6 | 16.8 | 4.5 | 21.9 | 30.8 | 7.6 | 11.8 |
| Franklin | 4.2 | 8.7 | 3.9 | 17.6 | 42.7 | 13.6 | 9.3 |
| Lyon | 8.1 | 13.3 | 4.3 | 21.0 | 35.2 | 10.3 | 7.9 |
| Sumner | 3.7 | 7.6 | 4.4 | 19.9 | 41.5 | 14.7 | 8.2 |
| Kansas | 7.0 | 14.1 | 5.4 | 21.9 | 32.8 | 11.0 | 7.7 |

Source: U.S. Census Bureau, 1990 Census of Population and Housing, Summary Tape File 3a.

- Since 1980, educational attainment levels of the Over-25 population have risen dramatically. In 1980, 32.9 percent of the McPherson County population over the age of 25 had some college education; by 1990, this figure was 44.8 percent. Over the same period, the Kansas rates increased from 34.6 percent to 48.4 percent.
- Persons with a Grade 8 education or less in McPherson County represented 17.3 percent of the Over-25 population in 1980 and 10.9 percent in 1990. This figure remained much higher than the Kansas rate, which fell from 7.7 percent in 1980 to 4.3 percent in 1990.

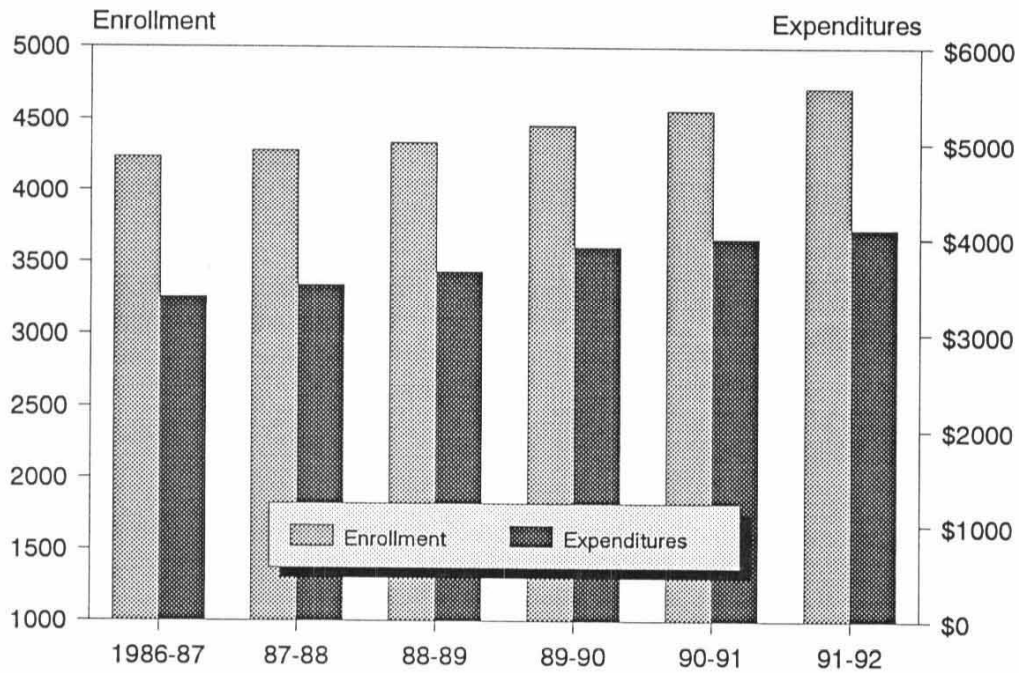
Table 3.2
Highest Level of Completed Education, Population 25 Years & Older
McPherson, Comparative Counties and Kansas, 1980

| | <u>College</u> | | <u>High School</u> | | <u>Elementary</u> | |
|-----------------|----------------|------------|--------------------|------------|-------------------|--------------|
| | <u>4+</u> | <u>1-3</u> | <u>4</u> | <u>1-3</u> | <u>8</u> | <u><8</u> |
| McPherson | 15.6% | 17.3% | 38.5% | 11.3% | 13.4% | 3.9% |
| Johnson | 33.3 | 23.2 | 32.3 | 6.4 | 3.1 | 1.7 |
| Sedgwick | 18.6 | 19.2 | 38.7 | 12.8 | 6.6 | 4.1 |
| Metro Comp.* | 25.0 | 20.9 | 36.0 | 10.0 | 5.1 | 3.0 |
| Reno | 13.2 | 19.7 | 38.5 | 13.8 | 9.8 | 5.0 |
| Saline | 15.6 | 18.3 | 42.5 | 11.1 | 8.8 | 3.7 |
| Harvey | 16.5 | 17.6 | 38.6 | 12.1 | 10.9 | 4.3 |
| Adjacent Comp.* | 14.7 | 18.8 | 39.8 | 12.5 | 9.7 | 4.5 |
| Barton | 12.4 | 17.9 | 40.5 | 11.8 | 12.7 | 4.7 |
| Ellis | 20.9 | 18.4 | 34.0 | 7.2 | 13.6 | 5.7 |
| Franklin | 11.7 | 11.3 | 42.1 | 15.8 | 13.2 | 5.9 |
| Lyon | 20.4 | 19.1 | 37.0 | 10.5 | 8.8 | 4.2 |
| Sumner | 8.9 | 14.9 | 44.5 | 15.7 | 11.2 | 4.8 |
| Medium Comp. | 14.9 | 16.6 | 39.7 | 12.1 | 11.7 | 5.0 |
| Kansas | 17.4 | 17.2 | 39.6 | 11.5 | 10.0 | 4.3 |

* Weighted averages for the comparative county groups computed by IPPBR.

Source: U.S. Bureau of the Census, *1980 Census, Vol. 1, Characteristics of the Population*.

Figure 3.2
Enrollment and Expenditures Per Pupil
 McPherson County, 1986-87 to 1991-92



Source: League of Kansas Municipalities, *Kansas Government Journal*, January, 1987-1992.

- Enrollments in McPherson County showed a significant increase of 11.5 percent for the period from 1986-87 to 1991-92. While the increase in enrollment was less than the average increase for the metropolitan comparison counties (13.2 percent), it was greater than the average increases in enrollment for: adjacent comparison counties (1.8 percent); Medium-sized comparison counties (8.3 percent); and Kansas (7.2 percent).
- Weighted expenditures per pupil increased by 20.7 percent from 1986 to 1992 in McPherson County. Despite a relatively rapid increase in enrollments, per pupil expenditures increased more slowly in McPherson than in seven of the ten comparative counties. The increase in expenditures was slightly less than that of medium comparatives (21.9%) and well below that of the adjacent comparatives (27.3%) or the metropolitan comparatives (30.6%).

Table 3.3
Full-Time Enrollment, Public Schools
McPherson, Comparative Counties, and Kansas, 1986-1992

| | 1986-1987 | 1987-1988 | 1988-1989 | 1989-1990 | 1990-1991 | 1991-1992 |
|-----------------|-----------|-----------|-----------|-----------|-----------|-----------|
| McPherson | 4,235 | 4,280 | 4,335 | 4,458 | 4,567 | 4,724 |
| Johnson | 50,984 | 52,323 | 53,380 | 54,965 | 56,993 | 58,680 |
| Sedgwick | 60,045 | 61,857 | 62,704 | 63,664 | 65,326 | 67,191 |
| Metro Comp.* | 55,877 | 57,471 | 58,415 | 59,662 | 61,409 | 63,234 |
| Reno | 10,534 | 10,418 | 10,374 | 10,408 | 10,500 | 10,487 |
| Saline | 7,661 | 7,667 | 7,657 | 7,749 | 7,953 | 8,143 |
| Harvey | 5,160 | 5,163 | 5,323 | 5,372 | 5,408 | 5,501 |
| Adjacent Comp.* | 8,404 | 8,354 | 8,316 | 8,372 | 8,467 | 8,558 |
| Barton | 4,792 | 4,795 | 4,773 | 4,850 | 4,875 | 5,009 |
| Ellis | 4,009 | 4,022 | 4,060 | 4,138 | 4,177 | 4,192 |
| Franklin | 3,976 | 4,028 | 4,085 | 4,205 | 4,272 | 4,362 |
| Lyon | 5,519 | 5,634 | 5,674 | 5,773 | 5,926 | 6,090 |
| Sumner | 4,041 | 4,089 | 4,216 | 4,283 | 4,331 | 4,435 |
| Medium Comp.* | 4,551 | 4,600 | 4,646 | 4,734 | 4,823 | 4,931 |
| Kansas | 395,180 | 399,982 | 403,871 | 408,394 | 414,847 | 423,517 |

* Weighted averages for the comparative county groups computed by IPPBR.

Source: League of Kansas Municipalities, *Kansas Government Journal*, January 1986-1992.

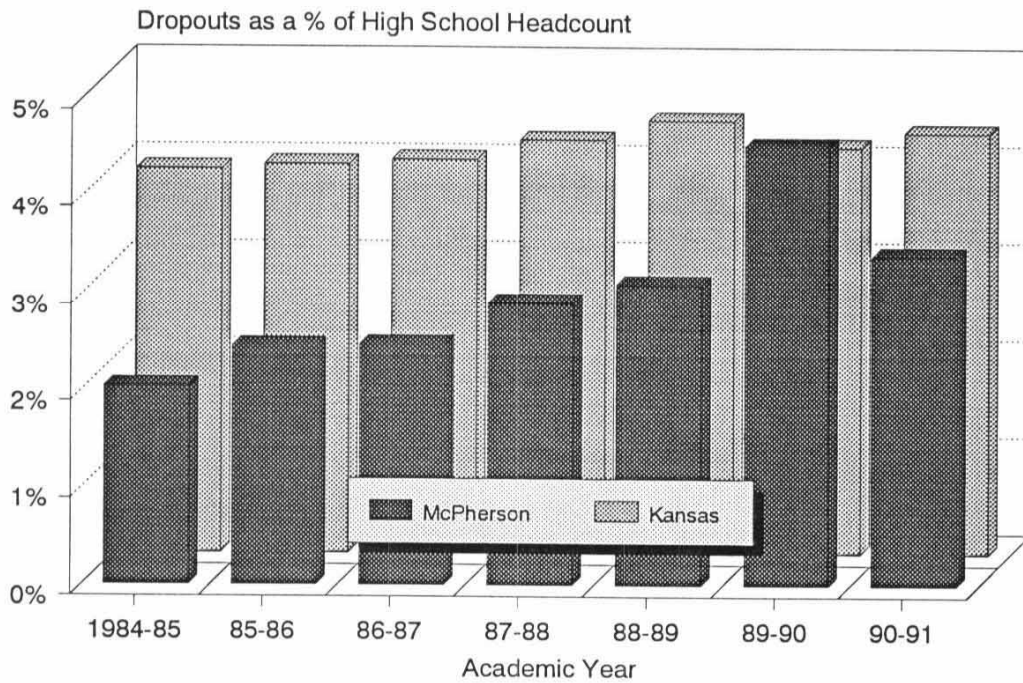
Table 3.4
Weighted Expenditure Per Pupil (Full-time equivalent)
McPherson and Comparative Counties, 1986-1992

| | 1986-1987 | 1987-1988 | 1988-1989 | 1989-1990 | 1990-1991 | 1991-1992 | % Change 1986-1992 |
|----------------|-----------|-----------|-----------|-----------|-----------|-----------|-----------------------|
| McPherson | \$3,389 | \$3,510 | \$3,651 | \$3,909 | \$3,996 | \$4,092 | 20.7% |
| Johnson | 3,190 | 3,519 | 3,776 | 4,022 | 4,181 | 4,272 | 33.9 |
| Sedgwick | 2,978 | 3,087 | 3,267 | 3,485 | 3,614 | 3,789 | 27.2 |
| Metro Comp. | 3,076 | 3,286 | 3,501 | 3,732 | 3,875 | 4,016 | 30.6 |
| Reno | 3,073 | 3,225 | 3,363 | 3,572 | 3,668 | 3,844 | 26.8 |
| Saline | 2,802 | 2,954 | 3,137 | 3,360 | 3,443 | 3,619 | 29.2 |
| Harvey | 3,188 | 3,375 | 3,562 | 3,844 | 3,985 | 4,116 | 29.1 |
| Adjacent Comp. | 3,009 | 3,169 | 3,332 | 3,562 | 3,663 | 3,830 | 27.3 |
| Barton | 3,251 | 3,288 | 3,462 | 3,619 | 3,740 | 3,725 | 14.6 |
| Ellis | 2,891 | 3,017 | 3,203 | 3,456 | 3,743 | 3,947 | 36.5 |
| Franklin | 3,170 | 3,321 | 3,504 | 3,719 | 3,792 | 3,884 | 22.5 |
| Lyon | 2,940 | 3,049 | 3,191 | 3,375 | 3,413 | 3,485 | 18.5 |
| Sumner | 3,442 | 3,541 | 3,625 | 3,928 | 4,087 | 4,148 | 20.5 |
| Medium Comp. | 3,127 | 3,231 | 3,383 | 3,603 | 3,731 | 3,812 | 21.9 |

Note: Data shown are weighted averages for all school districts in the county, calculated by IPPBR.

Source: League of Kansas Municipalities, *Kansas Government Journal*, January 1987-1992.

Figure 3.3
High School Dropout Rates
 McPherson and Kansas, 1984-1991



Source: Kansas State Board of Education, *Kansas USD's High School Dropouts 1984-85 Through 1988-89 and 1986-87 Through 1990-91*, January 1990, February 1992.

- High school dropout rates for both McPherson County and the state have shown an upward trend since the 1984-85 academic year.
- With the exception of the 1989-90 academic year, McPherson County's dropout rates have been much lower than the state rate. Over the seven years from 1984-85 to 1990-91, McPherson County dropout rates were about 30 percent lower than the Kansas rate.

Table 3.5
High School Dropout Rates
McPherson County and Kansas, 1984-85 to 1990-91

| <u>Academic Year</u> | <u>Headcount Grades 9-12</u> | <u>High School Dropouts</u> | <u>Drop Out Rate</u> | <u>Kansas Average Dropout Rate</u> |
|------------------------------------|------------------------------|-----------------------------|----------------------|------------------------------------|
| 1984-85 | 1,269 | 26 | 2.05% | 3.96% |
| 1985-86 | 1,259 | 31 | 2.46 | 4.01 |
| 1986-87 | 1,289 | 32 | 2.48 | 4.06 |
| 1987-88 | 1,273 | 37 | 2.91 | 4.26 |
| 1988-89 | 1,203 | 38 | 3.16 | 4.46 |
| 1989-90 | 1,190 | 54 | 4.54 | 4.19 |
| 1990-91 | 1,204 | 41 | 3.41 | 4.34 |
| Seven-year weighted average | | | 2.98% | 4.18% |

Note: McPherson County data shown are weighted average for USD 400 Lindsborg, USD 418 McPherson, USD 419 Canta-Galva, USD 423 Moundridge, USD 448 Inman. The Kansas definition of a dropout is a pupil "who leaves a school for any reason, except death, before graduation or completion of a program of studies and without transferring to another school."

Source: Kansas State Board of Education, *Kansas USD's High School Dropouts 1984-85 Through 1988-89 and 1986-87 Through 1990-91*, January 1990, February 1992.

- McPherson County's pupil-teacher ratio showed a very slight increase from 1989-90 to 1990-91, but stayed consistent with the state average.
- McPherson County's pupil-teacher ratio was lower than the averages for the metropolitan, adjacent, and medium comparison counties in both 1989-90 and 1990-91.

Table 3.6
Pupil-Teacher Ratio, Public Schools
McPherson, Comparative Counties, and Kansas, 1989-90 and 1990-91

| | 1989-90 | 1990-91 |
|----------------|---------|---------|
| McPherson | 15.8 | 16.0 |
| Johnson | 16.8 | 16.9 |
| Sedgwick | 18.2 | 18.7 |
| Metro Comp. | 17.6 | 17.8 |
| Reno | 16.0 | 16.1 |
| Saline | 17.2 | 17.3 |
| Harvey | 16.4 | 16.5 |
| Adjacent Comp. | 16.5 | 16.6 |
| Barton | 15.8 | 15.9 |
| Ellis | 16.0 | 15.6 |
| Franklin | 15.8 | 15.9 |
| Lyon | 17.5 | 17.6 |
| Sumner | 15.7 | 15.7 |
| Medium Comp. | 16.2 | 16.2 |
| Kansas | 15.9 | 16.1 |

Source: Kansas State Board of Education, *Pupil-Teacher Ratios of Unified School Districts*, 1989-1990, April 1990; 1990-1991, March 1991.

Section IV: Employment, Earnings & Income

Employment levels are an important measure of a community's economic vitality. Unemployed laborers mean that the community's resources are not being fully utilized and that the locally generated flow of goods and services is less than it could be. This also represents a drain on tax revenues and a higher demand for social services.

Income and earnings are the sources of revenue for the community residents. There are five principal sources of income, including: (1) *wages and salaries*; (2) *farm property*; (3) *non-farm property*; (4) earnings from *dividends, interest, and rental income*; and (5) *transfer payments*, including social security payments and unemployment insurance. These sources of income describe the economic base of the community. Higher average wages and salaries may indicate a greater number of jobs in high growth, high performance businesses. Low wage growth may indicate a higher concentration of stable, declining industries. Sources of earnings, such as entitlements, may also demonstrate the strength of the community in generating its own income, as well as give some indication of the population's age (i.e., older people tend to depend more on investment and entitlement income). Declining or stable earnings over time may indicate a decrease in the standard of living for the community.

In the following section, employment levels are examined for McPherson County, its comparative counties, and the State of Kansas as a determinant of the level of economic activity. In order to have a better understanding of the employment picture, three key measures are compared simultaneously:

- the *size of the labor force* shows the number of people who are either working or willing to work. The size of the labor force is influenced not only by population but also by the perceptions of individuals that suitable job opportunities exist. Diverse, healthy economies tend to offer the widest variety of job opportunities and therefore attract a large number of jobseekers, which increases the size of the labor force;
- *job creation rates (change in average annual employment)* reflect the growth in employment levels and the range of employment opportunities;
- the level of *unemployment* reflects the amount of economic activity within an area and how well the local market is able to match the supply and demand for labor.

Income and earnings are also examined for McPherson County, the comparative counties, and Kansas using the following measures:

- *levels of personal income* are used as aggregate indicators of how much economic activity is taking place within a local economy. Except for inflationary effects, rising personal income levels normally means improvements in the community's well-being;
- *per capita personal income* indicates the relative wealth of the area compared to the state. As the productivity of business and industry increase, personal per capita income also rises. Decreasing or stable rates may be the result of mature or declining industry;
- *sources of personal income* show what the population relies on for support. Different sources may indicate relative strength of business growth and productivity, relative age (as in increase in Social Security and other entitlements), and where the money is coming from, in terms of in or out of county;
- *average earnings per job*, over time, demonstrates the strength of area firms in generating income for their employees. Lower rates are indicative of lower productivity and business performance.

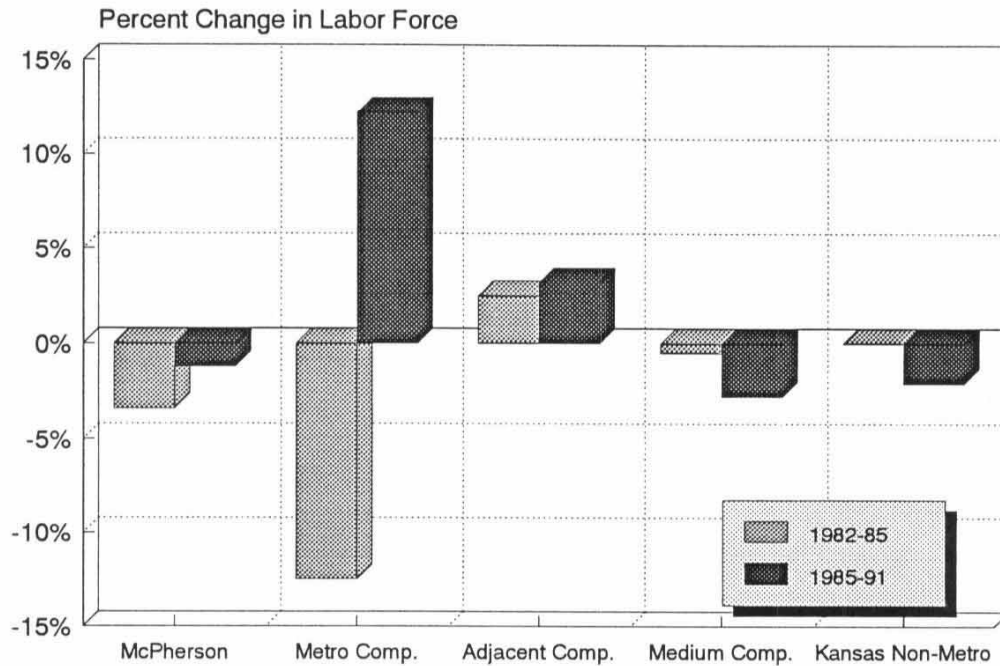
EMPLOYMENT, EARNINGS & INCOME: KEY FINDINGS

- The McPherson County civilian labor force decreased 4.5 percent from 15,362 in 1982 to 14,671 in 1991.
- Most of the contraction in the size of the labor force occurred between 1985 and 1986, when nearly 1,100 left the work force. Since 1986, the size of McPherson's labor force has stabilized within the 14,400 and 14,800 range.
- From 1981 to 1990, nearly 1,200 new jobs were created in McPherson County, an increase of 7.2 percent. This was more than twice the rate of job creation of any comparison group except for the metro counties and was nearly triple the rate of job growth for non-metropolitan Kansas as a whole. Since 1987, however, McPherson's rate of job growth has been the poorest of any of the comparatives.
- Unemployment rates were very stable and were consistently low in McPherson throughout the period 1982-1991. Of the comparatives, only Johnson County has seen consistently lower unemployment rates in recent years.
- Per capita incomes in McPherson County were \$17,443 in 1990, 7.7 percent higher than for non-metropolitan Kansas as a whole. McPherson's pattern of income growth has been very stable from year to year, unlike several of the comparative counties.
- Entrepreneurship (farm and non-farm proprietorships) contributed nearly 17 percent of McPherson's total personal income during the 1986-1990 period, up from 13 percent in the early 1980s.
- Labor income levels grew more quickly in McPherson during the 1980s than in any of the medium or adjacent counties (+50%) and about one and a half times as fast as the Kansas non-metropolitan rate (+34%).
- Average earnings per job in McPherson in 1990 were \$18,822. This compared with \$18,128 in typical non-metropolitan counties, and \$21,008 for Kansas. McPherson was the only county among all of the comparatives to match the state and non-metro rates of earnings growth in both halves of the decade.

EMPLOYMENT, EARNINGS & INCOME: DATA ANALYSIS

Figure 4.1

Net Change in Civilian Labor Force
McPherson & Comparatives, 1982-85, 1985-91



Source: Kansas Department of Human Resources, Labor Market Information Services, in cooperation with the U.S. Bureau of Labor Services.

- The McPherson County civilian labor force decreased 4.5 percent from 15,362 in 1982 to 14,671 in 1991.
- Most of the contraction in the size of the labor force occurred between 1985 and 1986, when nearly 1,100 left the work force. Since 1986, the size of McPherson’s labor force has stabilized within the 14,400 and 14,800 range.
- Similar patterns can be noted with respect to changes in the labor force for all of the comparatives except the adjacent comparatives, which had consistent growth in their labor forces. Metropolitan comparatives had larger decreases than McPherson in the early half of the decade, but enjoyed stronger growth in the latter half.

Table 4.1
Civilian Labor Force, 1982-1991 (Place of Residence)
McPherson, Comparative Counties, and Kansas

| | <u>1982</u> | <u>1983</u> | <u>1984</u> | <u>1985</u> | <u>1986</u> | <u>1987</u> | <u>1988</u> | <u>1989</u> | <u>1990</u> | <u>1991</u> |
|--------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| McPherson | 15,362 | 15,977 | 15,782 | 14,846 | 14,623 | 14,822 | 14,428 | 14,711 | 14,802 | 14,671 |
| Johnson | 133,406 | 132,951 | 136,468 | 175,274 | 176,042 | 190,606 | 199,110 | 204,796 | 206,718 | 204,486 |
| Sedgwick | 199,860 | 196,288 | 199,834 | 199,793 | 199,668 | 209,836 | 213,222 | 213,679 | 215,887 | 216,301 |
| Metro Comp. | 333,266 | 329,239 | 336,302 | 375,067 | 375,710 | 400,442 | 412,332 | 418,475 | 422,605 | 420,787 |
| Reno | 30,723 | 30,309 | 30,233 | 32,552 | 32,114 | 31,347 | 31,029 | 30,916 | 31,231 | 31,122 |
| Saline | 26,195 | 26,453 | 26,558 | 26,506 | 26,311 | 27,037 | 27,606 | 27,954 | 28,454 | 29,356 |
| Harvey | 15,492 | 15,555 | 15,605 | 15,193 | 14,913 | 16,171 | 16,142 | 15,924 | 16,090 | 16,159 |
| Adjacent Comp. | 72,410 | 72,317 | 72,396 | 74,251 | 73,338 | 74,555 | 74,777 | 74,794 | 75,775 | 76,637 |
| Barton | 19,134 | 18,918 | 18,819 | 17,176 | 16,472 | 15,084 | 14,548 | 14,356 | 14,605 | 14,579 |
| Ellis | 16,267 | 16,877 | 16,976 | 15,681 | 15,319 | 14,237 | 14,124 | 14,105 | 14,453 | 14,829 |
| Franklin | 11,023 | 11,065 | 11,006 | 10,486 | 10,616 | 10,656 | 11,010 | 10,599 | 10,840 | 10,974 |
| Lyon | 17,909 | 17,857 | 17,821 | 19,422 | 18,686 | 19,449 | 19,453 | 19,589 | 19,833 | 20,450 |
| Sumner | 10,400 | 10,345 | 10,067 | 11,567 | 11,319 | 11,415 | 11,450 | 11,434 | 11,560 | 11,393 |
| Medium Comp. | 74,733 | 75,062 | 74,689 | 74,332 | 72,412 | 70,841 | 70,585 | 70,083 | 71,291 | 72,225 |
| Kansas | | | | | | | | | | |
| Non-Metro | 580,045 | 579,256 | 578,410 | 580,305 | 568,577 | 569,307 | 562,771 | 563,635 | 569,912 | 568,155 |
| Kansas (in thousands) | 1,186 | 1,186 | 1,197 | 1,235 | 1,224 | 1,267 | 1,277 | 1,285 | 1,300 | 1,295 |

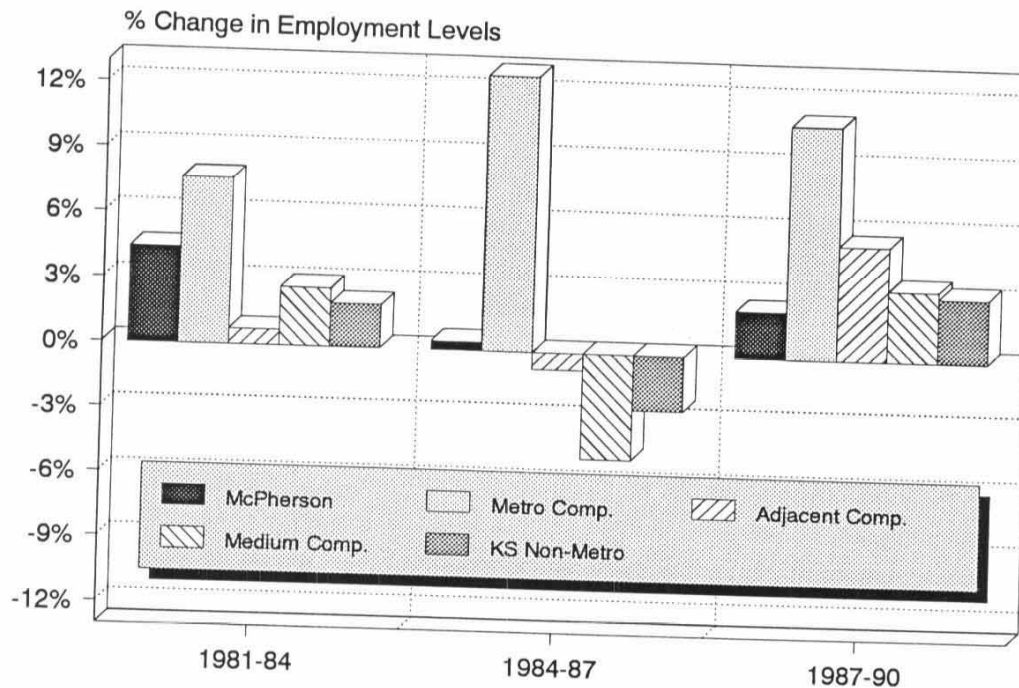
Source: Kansas Department of Human Resources, Labor Market Information Services, in cooperation with the U.S. Bureau of Labor Services.

Table 4.2
 Net Change in Civilian Labor Force (Place of Residence)
 McPherson, Comparative Counties, and Kansas, 1982-1991

| | Net Change | | Percent Change | |
|-----------------------|------------|-----------|----------------|---------|
| | 1982-1985 | 1985-1991 | 1982-85 | 1985-91 |
| McPherson | -516 | -175 | -3.4% | -1.2% |
| Johnson | 41,868 | 29,212 | 31.4 | 16.7 |
| Sedgwick | -67 | 16,508 | -0.0 | 8.3 |
| Metro Comparatives | 41,801 | 45,720 | 12.5 | 12.2 |
| Reno | 1,829 | -1,430 | 6.0 | -4.4 |
| Saline | 311 | 2,850 | 1.2 | 10.8 |
| Harvey | -299 | 966 | -1.9 | 6.4 |
| Adjacent Comparatives | 1,841 | 2,386 | 2.5 | 3.2 |
| Barton | -1,958 | -2,597 | -10.2 | -15.1 |
| Ellis | -586 | -852 | -3.6 | -5.4 |
| Franklin | -537 | 488 | -4.9 | 4.7 |
| Lyon | 1,513 | 1,028 | 8.5 | 5.3 |
| Sumner | 1,167 | -174 | 11.2 | -1.5 |
| Medium Comparatives | -401 | -2,107 | -0.5 | -2.8 |
| Kansas Non-Metro | 260 | -12,150 | 0.0 | -2.1 |
| Kansas | 49 | 60 | 4.1 | 4.9 |

Source: Kansas Department of Human Resources, Labor Market Information Services, in cooperation with the U.S. Bureau of Labor Services.

Figure 4.2
Job Creation Rates, 1981-1990
 McPherson, Comparatives & KS Non-Metro



Source: U.S. Department of Commerce, Bureau of Economic Analysis, *Regional Economic Information System*, Table CA25.

- From 1981 to 1990, nearly 1,200 new jobs were created in McPherson County, an increase of 7.2 percent. This was more than twice the rate of job creation of any comparison group except for the metro counties and was nearly triple the rate of job growth for non-metropolitan Kansas as a whole.
- The early 1980s was the period of greatest job growth in McPherson County, when employment increased by 4.4 percent. From 1984 to 1987, only 70 new jobs were created. Between 1987 and 1990, 379 new jobs were added, for a growth rate of 2.2 percent.
- McPherson County performed better with respect to job growth than any of the comparatives (except the Metro counties) throughout the first two-thirds of the decade. Since 1987, however, McPherson's rate of job growth has been the poorest of any of the comparatives. On an individual county basis, only Barton and Sumner performed poorer with respect to job creation than McPherson did between 1987 and 1990.

Table 4.3
Average Annual Employment (Place of Work)
McPherson, Trade Area, Comparative Counties, and Kansas, 1981-1990

| | <u>1981</u> | <u>1982</u> | <u>1983</u> | <u>1984</u> | <u>1985</u> | <u>1986</u> | <u>1987</u> | <u>1988</u> | <u>1989</u> | <u>1990</u> |
|--------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| McPherson | 16,269 | 16,198 | 17,249 | 16,981 | 16,823 | 16,564 | 17,051 | 16,851 | 17,130 | 17,430 |
| Johnson | 145,770 | 152,382 | 159,133 | 173,690 | 185,482 | 201,105 | 213,165 | 224,698 | 234,849 | 242,894 |
| Sedgwick | 235,289 | 225,072 | 224,730 | 236,184 | 238,657 | 242,131 | 248,913 | 255,057 | 261,127 | 269,282 |
| Metro Comp. | 381,059 | 377,454 | 383,863 | 409,874 | 424,139 | 443,236 | 462,078 | 479,755 | 495,976 | 512,176 |
| Reno | 34,376 | 33,673 | 33,525 | 34,376 | 35,278 | 34,558 | 33,752 | 34,154 | 34,409 | 34,953 |
| Saline | 28,941 | 28,126 | 28,662 | 29,400 | 28,903 | 29,343 | 29,852 | 30,758 | 31,299 | 32,279 |
| Harvey | 16,253 | 15,994 | 15,862 | 16,348 | 16,198 | 16,016 | 15,880 | 16,129 | 16,331 | 16,431 |
| Adjacent Comp. | 79,570 | 77,793 | 78,049 | 80,124 | 80,379 | 79,917 | 79,484 | 81,041 | 82,039 | 83,663 |
| Barton | 20,797 | 20,683 | 20,204 | 20,941 | 20,541 | 18,583 | 18,030 | 17,898 | 17,965 | 18,236 |
| Ellis | 15,795 | 16,164 | 16,909 | 17,127 | 16,923 | 15,905 | 15,783 | 16,069 | 16,224 | 16,795 |
| Franklin | 9,964 | 9,704 | 9,779 | 9,561 | 9,740 | 9,838 | 9,897 | 10,080 | 9,970 | 10,163 |
| Lyon | 18,435 | 18,584 | 18,667 | 19,244 | 19,228 | 18,891 | 19,321 | 19,489 | 19,912 | 20,137 |
| Sumner | 10,377 | 10,114 | 10,325 | 10,528 | 10,382 | 10,246 | 10,547 | 10,578 | 10,682 | 10,689 |
| Medium Comp. | 75,368 | 75,249 | 75,884 | 77,401 | 76,814 | 73,463 | 73,578 | 74,114 | 74,753 | 76,020 |
| Kansas | | | | | | | | | | |
| Non-Metro | 626,198 | 622,383 | 627,842 | 638,940 | 633,684 | 617,443 | 622,122 | 629,707 | 633,677 | 641,079 |
| Kansas (in thousands) | 1,293.1 | 1,282.3 | 1,294.4 | 1,341.2 | 1,354.4 | 1,361.5 | 1,390.0 | 1,421.2 | 1,455.9 | 1,472.6 |

Source: U.S. Department of Commerce, Bureau of Economic Analysis, *Regional Economic Information System*, Table CA25.

Table 4.4
 Net Change and Percentage Change in Employment (Place of Work)
 McPherson County, Trade Area, Comparatives and Kansas, 1980-1989

| | Net Job Creation | | | Percent Change | | |
|-----------------------|------------------|---------|---------|----------------|---------|---------|
| | 1981-84 | 1984-87 | 1987-90 | 1981-84 | 1984-87 | 1987-90 |
| McPherson | 712 | 70 | 379 | 4.4% | 0.4% | 2.2% |
| Johnson | 27,920 | 39,475 | 29,729 | 19.2 | 22.7 | 14.0 |
| Sedgwick | 895 | 12,729 | 20,369 | 0.4 | 5.4 | 8.2 |
| Metro Comparatives | 28,815 | 52,204 | 50,098 | 7.6 | 12.7 | 10.8 |
| Reno | 0 | -624 | 1,201 | 0.0 | -1.8 | 3.6 |
| Saline | 459 | 452 | 2,427 | 1.6 | 1.5 | 8.1 |
| Harvey | 95 | -468 | 551 | 0.6 | -2.9 | 3.5 |
| Adjacent Comparatives | 554 | -640 | 4,179 | 0.7 | -0.8 | 5.3 |
| Barton | 144 | -2,911 | 206 | 0.7 | -13.9 | 1.1 |
| Ellis | 1,332 | -1,344 | 1,012 | 8.4 | -7.9 | 6.4 |
| Franklin | -403 | 336 | 266 | -4.0 | 3.5 | 2.7 |
| Lyon | 809 | 77 | 816 | 4.4 | 0.4 | 4.2 |
| Sumner | 151 | 19 | 142 | 1.5 | 0.2 | 1.4 |
| Medium Comparatives | 2,033 | -3,823 | 2,442 | 2.7 | -4.9 | 3.3 |
| Kansas Non-Metro | 12,742 | -16,818 | 18,957 | 2.0 | -2.6 | 3.0 |
| Kansas | 48,087 | 48,512 | 82,884 | 3.7 | 3.6 | 6.0 |

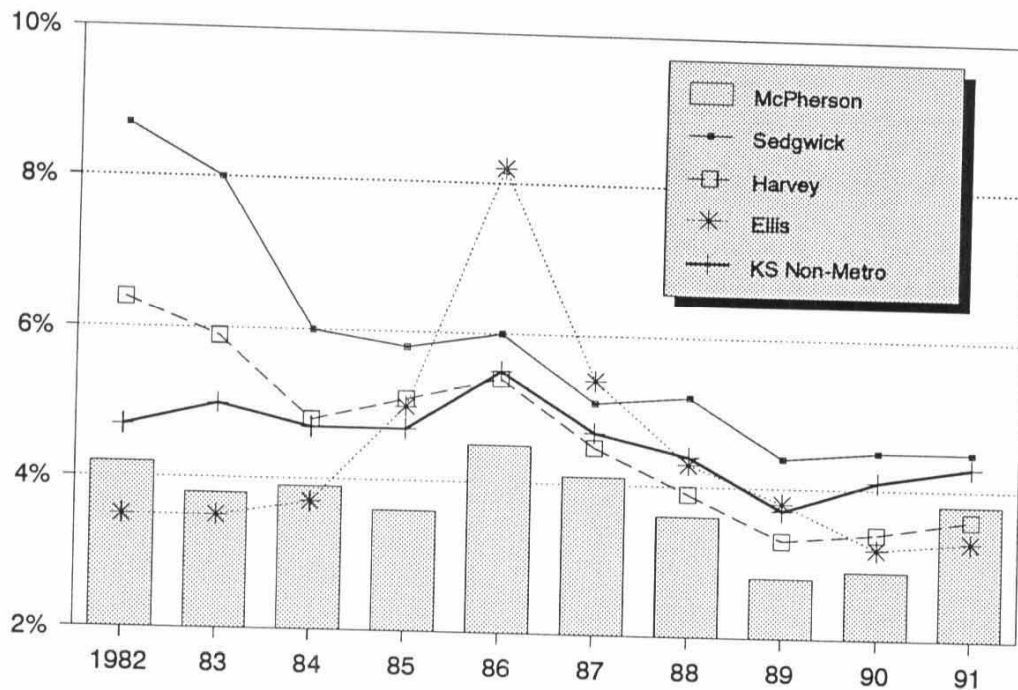
Source: U.S. Department of Commerce, Bureau of Economic Analysis, *Regional Economic Information System*, Table CA25.

Table 4.5
 Ten-Year Change and Percentage Change in Employment (Place of Work)
 McPherson County, Trade Area, Comparatives and Kansas, 1980-1990

| | <u>Change in Employment Levels</u> <u>1980-1990</u> | <u>Percent Change</u> <u>1980-1990</u> |
|-----------------------|--|---|
| McPherson | 1,170 | 7.2% |
| Johnson | 101,746 | 72.1 |
| Sedgwick | 36,511 | 15.7 |
| Metro Comparatives | 138,257 | 37.0 |
| Reno | -60 | -0.2 |
| Saline | 3,085 | 10.6 |
| Harvey | -224 | -1.3 |
| Adjacent Comparatives | 2,801 | 3.5 |
| Barton | -1,560 | -7.9 |
| Ellis | 1,591 | 10.5 |
| Franklin | 146 | 1.5 |
| Lyon | 1,758 | 9.6 |
| Sumner | 198 | 1.9 |
| Medium Comparatives | 2,133 | 2.9 |
| Kansas Non-Metro | 16,810 | 2.7 |
| Kansas | 185,822 | 14.4 |

Source: U.S. Department of Commerce, Bureau of Economic Analysis, *Regional Economic Information System*, Table CA25.

Figure 4.3
Unemployment Rates, 1982-1991
 McPherson and Comparative Counties



Source: Kansas Department of Human Resources, Labor Market Information Services, in cooperation with the U.S. Bureau of Labor Services.

- Unemployment rates were very stable and were consistently low in McPherson throughout the period 1982-1991. The average of the annual unemployment rates for this period was 3.7 percent in McPherson and 4.6 for non-metropolitan. The increase in jobs in McPherson County combined with the decrease of the civilian labor force to keep the unemployment rate low in McPherson County over this period.
- The unemployment rate peaked in 1986 at 4.5 percent but decreased to 3.8 percent in 1990.
- Of the comparatives, only Johnson County has seen consistently lower unemployment rates in recent years.

Table 4.6
 Unemployment Rate, 1982-1991 (Place of Residence)
 McPherson, Trade Area, Comparative Counties and Kansas

| | <u>1982</u> | <u>1983</u> | <u>1984</u> | <u>1985</u> | <u>1986</u> | <u>1987</u> | <u>1988</u> | <u>1989</u> | <u>1990</u> | <u>1991</u> |
|------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| McPherson | 4.2% | 3.8% | 3.9% | 3.6% | 4.5% | 4.1% | 3.6% | 2.8% | 2.9% | 3.8% |
| Johnson | 4.3 | 4.0 | 3.6 | 2.7 | 2.8 | 2.8 | 3.1 | 2.6 | 3.0 | 3.3 |
| Sedgwick | 8.7 | 8.0 | 6.0 | 5.8 | 6.0 | 5.1 | 5.2 | 4.4 | 4.5 | 4.5 |
| Reno | 7.6 | 7.7 | 6.4 | 6.0 | 8.5 | 6.4 | 5.3 | 4.5 | 4.6 | 5.1 |
| Saline | 7.2 | 6.4 | 6.3 | 6.7 | 6.1 | 5.6 | 5.1 | 4.2 | 4.2 | 4.0 |
| Harvey | 6.4 | 5.9 | 4.8 | 5.1 | 5.4 | 4.5 | 3.9 | 3.3 | 3.4 | 3.6 |
| Barton | 4.4 | 5.3 | 4.4 | 5.5 | 9.9 | 7.3 | 5.6 | 4.2 | 4.0 | 4.2 |
| Ellis | 3.5 | 3.5 | 3.7 | 5.0 | 8.2 | 5.4 | 4.3 | 3.8 | 3.2 | 3.3 |
| Franklin | 8.6 | 8.3 | 7.0 | 7.2 | 7.0 | 7.3 | 7.1 | 6.6 | 6.3 | 5.9 |
| Lyon | 5.6 | 5.5 | 5.0 | 5.2 | 6.1 | 4.4 | 4.9 | 4.2 | 4.5 | 3.9 |
| Sumner | 9.4 | 8.3 | 6.3 | 5.8 | 6.0 | 4.8 | 4.6 | 4.0 | 4.6 | 4.9 |
| Kansas Non-Metro | 4.7 | 5.0 | 4.7 | 4.7 | 5.5 | 4.7 | 4.4 | 3.7 | 4.1 | 4.3 |
| Kansas | 6.2 | 6.1 | 5.3 | 5.0 | 5.5 | 4.9 | 4.8 | 4.0 | 4.4 | 4.4 |

Source: Kansas Department of Human Resources, Labor Market Information Services, in cooperation with the U.S. Bureau of Labor Services.

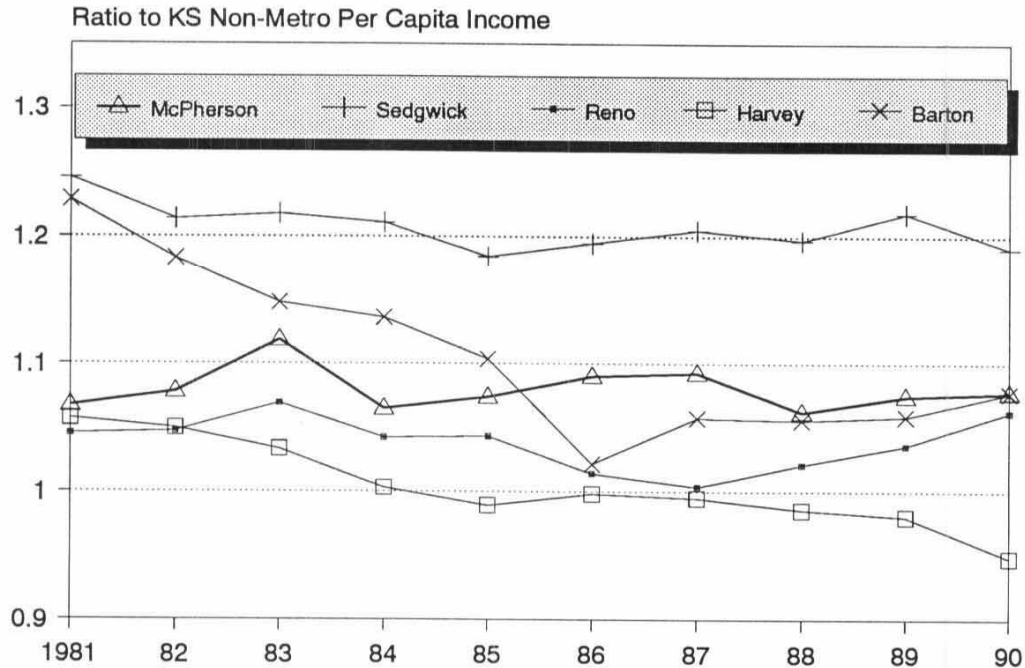
Table 4.7
Total Personal Income (Place of Residence) (in \$Millions)
McPherson, Comparative Counties, and Kansas, 1981-1990

| | <u>1981</u> | <u>1982</u> | <u>1983</u> | <u>1984</u> | <u>1985</u> | <u>1986</u> | <u>1987</u> | <u>1988</u> | <u>1989</u> | <u>1990</u> |
|----------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| McPherson | 296.2 | 320.4 | 342.6 | 354.2 | 378.6 | 399.1 | 406.4 | 414.8 | 439.9 | 475.2 |
| Johnson | 4,212.6 | 4,550.7 | 4,882.9 | 5,353.7 | 5,973.0 | 6,512.9 | 7,178.5 | 7,930.3 | 8,612.3 | 9,355.4 |
| Sedgwick | 4,725.9 | 4,969.3 | 5,064.7 | 5,479.2 | 5,738.2 | 6,082.0 | 6,337.4 | 6,766.1 | 7,311.7 | 7,800.0 |
| Metro Comp. | 8,938.4 | 9,520.0 | 9,947.6 | 10,833.0 | 11,711.2 | 12,594.9 | 13,515.9 | 14,696.4 | 15,924.0 | 17,155.4 |
| Reno | 689.1 | 734.0 | 761.1 | 795.3 | 844.9 | 861.5 | 863.5 | 918.9 | 973.5 | 1,071.0 |
| Saline | 558.5 | 591.7 | 626.0 | 669.3 | 690.4 | 712.8 | 749.5 | 809.9 | 864.5 | 936.7 |
| Harvey | 331.8 | 354.2 | 354.1 | 370.1 | 386.8 | 408.2 | 414.1 | 435.0 | 455.5 | 476.5 |
| Adj. Comp. | 1,579.4 | 1,679.8 | 1,741.2 | 1,834.8 | 1,922.0 | 1,982.5 | 2,027.1 | 2,163.7 | 2,293.4 | 2,484.2 |
| Barton | 401.4 | 423.7 | 420.5 | 449.6 | 462.5 | 439.1 | 446.4 | 459.7 | 474.0 | 509.6 |
| Ellis | 273.1 | 295.9 | 313.4 | 335.9 | 347.7 | 343.6 | 346.8 | 364.3 | 398.6 | 435.4 |
| Franklin | 218.4 | 231.7 | 236.6 | 253.1 | 262.9 | 275.4 | 278.2 | 292.1 | 309.7 | 317.8 |
| Lyon | 364.0 | 383.9 | 392.5 | 414.6 | 419.1 | 437.4 | 452.7 | 474.9 | 510.7 | 520.5 |
| Sumner | 267.2 | 292.1 | 295.0 | 318.1 | 331.9 | 356.6 | 359.4 | 381.7 | 408.4 | 428.3 |
| Med. Comp. | 1,524.2 | 1,627.3 | 1,658.0 | 1,771.3 | 1,824.1 | 1,852.0 | 1,883.5 | 1,972.7 | 2,101.5 | 2,211.6 |
| KS Non-Metro (billions) | 12.1 | 13.0 | 13.3 | 14.3 | 15.0 | 15.5 | 15.7 | 16.5 | 17.2 | 18.5 |
| Kansas (billions) | 26.7 | 28.5 | 29.5 | 31.8 | 33.8 | 35.6 | 37.0 | 39.4 | 41.9 | 44.9 |

Source: Bureau of Economic Analysis, *Regional Economic Information System*, Table CA5.

- Using total personal income as a measure of the size of a local economy, McPherson's growth during the 1981-1990 period (+60%, unadjusted for inflation) overshadowed all of the medium comparatives (+45%) the adjacent counties (+57%) except Saline (+67%), and Kansas non-metropolitan growth (+53%). Over this period, personal income in metropolitan counties grew by 92 percent.

Figure 4.4
Per Capita Personal Income Levels
 McPherson & Comparatives, 1981-1990



Source: Bureau of Economic Analysis, *Regional Economic Information System*, Table CA5.

- Per capita incomes in McPherson County were \$17,443 in 1990, 7.7 percent higher than for non-metropolitan Kansas as a whole.
- Of the comparatives, only Johnson, Sedgwick and Saline had higher per capita incomes in 1990 than McPherson.
- Over the 1980-1990 period, Johnson (+88%), Ellis (+85%) Saline (+83%) and Reno (+82%) had more rapid increases in per capita incomes than McPherson (+77%).
- Relative to the non-metropolitan average, McPherson's pattern of income growth has been very stable from year to year, unlike several of the comparative counties.

Table 4.8
Per Capita Personal Income Levels
McPherson, Comparative Counties, Kansas and the U.S., 1981-1990

| | <u>1981</u> | <u>1982</u> | <u>1983</u> | <u>1984</u> | <u>1985</u> | <u>1986</u> | <u>1987</u> | <u>1988</u> | <u>1989</u> | <u>1990</u> |
|--------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
| McPherson | 10,846 | 11,706 | 12,341 | 12,664 | 13,560 | 14,395 | 14,725 | 15,107 | 16,074 | 17,443 |
| Johnson | 15,348 | 16,318 | 17,132 | 18,249 | 19,784 | 20,858 | 22,079 | 23,461 | 24,745 | 26,156 |
| Sedgwick | 12,660 | 13,176 | 13,431 | 14,402 | 14,954 | 15,779 | 16,241 | 17,031 | 18,223 | 19,276 |
| Reno | 10,629 | 11,377 | 11,803 | 12,401 | 13,169 | 13,395 | 13,529 | 14,527 | 15,500 | 17,197 |
| Saline | 11,398 | 12,042 | 12,618 | 13,373 | 13,905 | 14,515 | 15,166 | 16,398 | 17,509 | 19,002 |
| Harvey | 10,745 | 11,395 | 11,401 | 11,935 | 12,490 | 13,183 | 13,409 | 14,025 | 14,672 | 15,354 |
| Barton | 12,484 | 12,845 | 12,665 | 13,515 | 13,933 | 13,492 | 14,249 | 15,016 | 15,838 | 17,441 |
| Ellis | 10,204 | 10,754 | 11,314 | 12,037 | 12,441 | 12,458 | 12,930 | 13,729 | 15,184 | 16,788 |
| Franklin | 9,946 | 10,612 | 10,787 | 11,487 | 12,052 | 12,687 | 12,780 | 13,356 | 14,108 | 14,437 |
| Lyon | 10,176 | 10,480 | 10,661 | 10,981 | 11,583 | 12,487 | 12,883 | 13,578 | 14,650 | 15,000 |
| Sumner | 10,581 | 11,496 | 11,629 | 12,619 | 13,160 | 14,070 | 14,090 | 14,828 | 15,820 | 16,561 |
| KS Non-Metro | 10,166 | 10,857 | 11,032 | 11,897 | 12,626 | 13,206 | 13,478 | 14,226 | 14,962 | 16,190 |
| Kansas | 11,211 | 11,852 | 12,200 | 13,112 | 13,930 | 14,631 | 15,147 | 15,993 | 16,962 | 18,104 |
| U.S. | 10,949 | 11,480 | 12,098 | 13,114 | 13,942 | 14,654 | 15,494 | 16,598 | 17,731 | 18,691 |

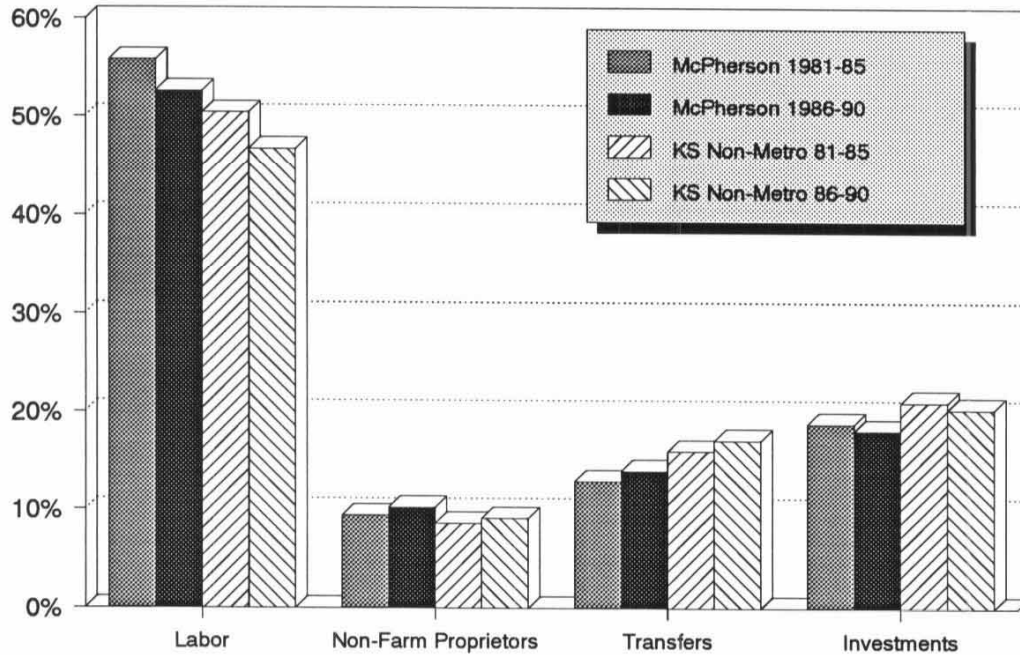
Source: Bureau of Economic Analysis, *Regional Economic Information System*, Table CA5.

Table 4.9
 Ten-Year Change in Per Capita Income
 McPherson County, Trade Area, Comparatives, Kansas, and U.S., 1980-1990

| | <u>1980</u> | <u>1990</u> | <u>Net Change</u> | <u>Percent Change</u> |
|------------------|-------------|-------------|-------------------|-----------------------|
| McPherson | \$ 9,831 | \$ 17,443 | \$ 7,612 | 77.4% |
| Johnson | 13,912 | 26,156 | 12,244 | 88.0 |
| Sedgwick | 11,331 | 19,276 | 7,945 | 70.1 |
| Reno | 9,446 | 17,197 | 7,751 | 82.1 |
| Saline | 10,404 | 19,002 | 8,598 | 82.6 |
| Harvey | 9,535 | 15,354 | 5,819 | 61.0 |
| Barton | 10,466 | 17,441 | 6,975 | 66.6 |
| Ellis | 9,058 | 16,788 | 7,730 | 85.3 |
| Franklin | 8,796 | 14,437 | 5,641 | 64.1 |
| Lyon | 8,926 | 15,000 | 6,074 | 68.1 |
| Sumner | 9,874 | 16,561 | 6,687 | 67.7 |
| Kansas Non-Metro | 8,867 | 16,190 | 7,323 | 82.6 |
| Kansas | 9,941 | 18,104 | 8,163 | 82.1 |
| U.S. | 9,919 | 18,691 | 8,772 | 88.4 |

Source: Bureau of Economic Analysis, *Regional Economic Information System*, Table CA5

Figure 4.5
Share of Personal Income, By Source
 McPherson & KS Non-Metro, 1981-85, 1986-90



Source: U.S. Department of Commerce, Bureau of Economic Analysis, *Regional Economic Information System*, Table CA5.

- Employment income, which accounted for 56 percent of McPherson’s personal income in the early 1980s, accounted for 53 percent in the latter part of the decade. This was consistent with the pattern in most Kansas non-metropolitan counties.
- Entrepreneurship (farm and non-farm proprietorships) contributed nearly 17 percent of McPherson’s total personal income during the 1986-1990 period, up from 13 percent in the early 1980s.
- McPherson County has a relatively low level of dependence upon transfer payments as a means of income. Of the comparative counties, only Johnson and Sedgwick among the comparatives had a lower share of 1986-90 personal income from transfer payments.

Table 4.10
 Components of Personal Income as a Percentage of Total Personal Income
 McPherson and Comparative Counties, Five Year Averages, 1981-85 and 1986-90

| County/Area | Years | Wages, Salaries and Other | Proprietorships | | Dividends, Interest, & Rent | Transfer Payments | Other Adjustments |
|--------------|---------|------------------------------|-----------------|----------|-----------------------------------|----------------------|----------------------|
| | | Labor Income | Farm | Non-Farm | | | |
| McPherson | 1981-85 | 55.8% | 4.1% | 9.4% | 18.8% | 12.9% | -1.0% |
| | 1986-90 | 52.6 | 6.4 | 10.2 | 18.1 | 14.0 | -1.5 |
| Johnson | 1981-85 | 50.0% | 0.1% | 6.6% | 19.4% | 7.3% | 16.7% |
| | 1986-90 | 54.0 | 0.1 | 7.2 | 19.3 | 7.0 | 12.5 |
| Sedgwick | 1981-85 | 77.1% | 0.2% | 7.2% | 15.3% | 12.0% | -11.8% |
| | 1986-90 | 76.6 | 0.2 | 8.0 | 16.1 | 12.3 | -13.3 |
| Reno | 1981-85 | 59.6% | 3.1% | 7.8% | 20.4% | 14.2% | -5.1% |
| | 1986-90 | 55.8 | 3.5 | 8.5 | 21.9 | 15.6 | -5.3 |
| Saline | 1981-85 | 61.3% | 0.5% | 11.6% | 18.7% | 13.9% | -6.1% |
| | 1986-90 | 58.4 | 0.6 | 13.6 | 19.5 | 14.5 | -6.6 |
| Harvey | 1981-85 | 54.9% | 3.6% | 7.4% | 17.8% | 15.3% | 1.0% |
| | 1986-90 | 52.6 | 4.0 | 7.7 | 18.7 | 15.8 | 1.1 |
| Barton | 1981-85 | 63.9% | 1.7% | 8.4% | 20.1% | 18.0% | -12.1% |
| | 1986-90 | 53.1 | 4.9 | 9.5 | 22.4 | 22.4 | -12.3 |
| Ellis | 1981-85 | 57.4% | 2.5% | 10.2% | 19.7% | 11.6% | -1.4% |
| | 1986-90 | 49.7 | 4.0 | 11.2 | 21.3 | 15.5 | -1.7 |
| Franklin | 1981-85 | 38.3% | 1.6% | 8.0% | 19.0% | 18.1% | 15.0% |
| | 1986-90 | 38.5 | 2.6 | 8.6 | 18.0 | 17.3 | 15.0 |
| Lyon | 1981-85 | 65.3% | 1.0% | 6.1% | 17.1% | 13.7% | -3.2% |
| | 1986-90 | 64.4 | 1.7 | 6.4 | 17.9 | 15.6 | -6.0 |
| Sumner | 1981-85 | 29.8% | 4.2% | 6.8% | 17.7% | 17.2% | 24.4% |
| | 1986-90 | 27.8 | 4.5 | 7.2 | 16.1 | 17.4 | 27.0 |
| KS Non-Metro | 1981-85 | 50.4% | 5.1% | 8.6% | 21.0% | 16.0% | -1.1% |
| | 1986-90 | 46.7 | 7.6 | 9.1 | 20.3 | 17.1 | -0.8 |
| Kansas | 1981-85 | 59.4% | 2.5% | 7.5% | 18.6% | 13.8% | -1.7% |
| | 1986-90 | 58.2 | 3.5 | 8.1 | 18.4 | 14.0 | -2.0 |

Source: U.S. Department of Commerce, Bureau of Economic Analysis, *Regional Economic Information System*, Table CA5.

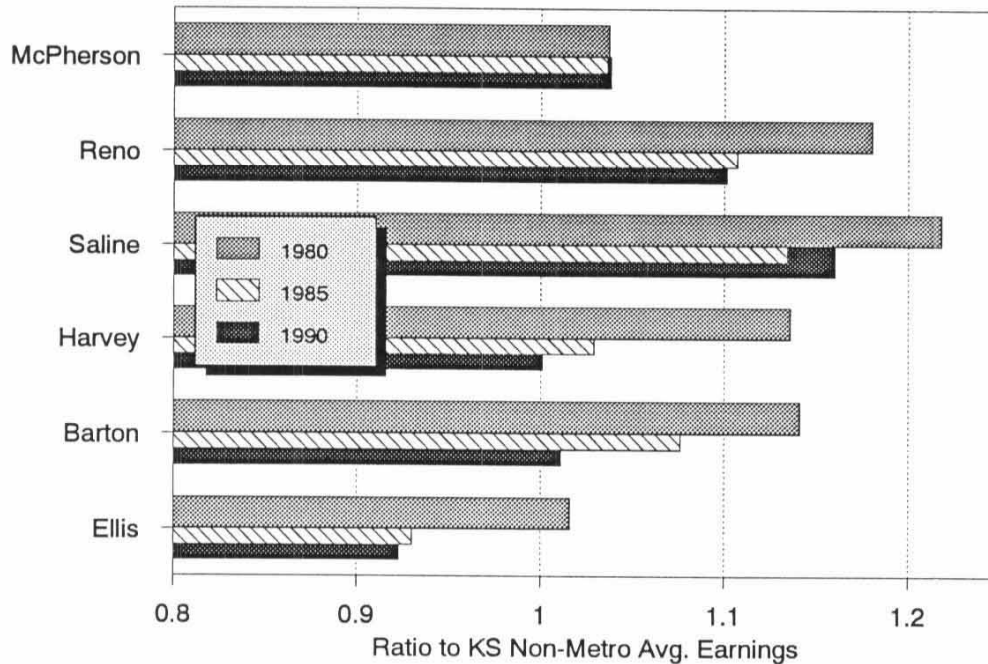
Table 4.11
Wages, Salaries and Other Labor Income (in \$ Millions)
McPherson, Comparative Counties and Kansas, 1981-1990

| | <u>1981</u> | <u>1982</u> | <u>1983</u> | <u>1984</u> | <u>1985</u> | <u>1986</u> | <u>1987</u> | <u>1988</u> | <u>1989</u> | <u>1990</u> | Percent Change 1981-90 |
|--------------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|------------------------------|
| McPherson | 168.7 | 177.3 | 198.2 | 197.1 | 203.3 | 205.3 | 213.3 | 218.2 | 233.2 | 252.8 | 49.9% |
| Johnson | 1,993.5 | 2,189.8 | 2,419.8 | 2,767.5 | 3,103.6 | 3,498.2 | 3,898.0 | 4,300.3 | 4,649.8 | 5,028.0 | 152.2 |
| Sedgwick | 3,746.1 | 3,791.9 | 3,841.3 | 4,238.8 | 4,403.0 | 4,712.3 | 4,947.0 | 5,213.1 | 5,484.2 | 5,926.5 | 58.2 |
| Metro Comp. | 5,739.6 | 5,981.7 | 6,261.1 | 7,006.3 | 7,506.7 | 8,210.5 | 8,845.0 | 9,513.4 | 10,134.0 | 10,954.5 | 90.9 |
| Reno | 430.3 | 438.2 | 448.8 | 469.6 | 491.2 | 493.5 | 489.1 | 527.4 | 534.2 | 574.2 | 33.5 |
| Saline | 363.2 | 366.5 | 384.3 | 406.3 | 403.4 | 421.3 | 447.1 | 473.5 | 500.6 | 538.2 | 48.2 |
| Harvey | 191.5 | 193.7 | 193.5 | 202.3 | 205.9 | 213.9 | 213.7 | 230.6 | 243.3 | 249.7 | 30.4 |
| Adjacent Comp. | 985.0 | 998.5 | 1,026.5 | 1,078.2 | 1,100.6 | 1,128.7 | 1,149.9 | 1,231.6 | 1,278.1 | 1,362.0 | 38.3 |
| Barton | 266.4 | 275.4 | 268.0 | 286.2 | 283.5 | 248.8 | 236.7 | 241.5 | 247.8 | 261.4 | -1.9 |
| Ellis | 159.2 | 173.6 | 182.8 | 193.4 | 190.1 | 177.1 | 174.2 | 182.9 | 191.4 | 212.5 | 33.4 |
| Franklin | 88.7 | 89.7 | 93.1 | 93.0 | 96.5 | 103.3 | 107.0 | 115.2 | 117.9 | 123.8 | 39.6 |
| Lyon | 241.7 | 253.8 | 253.0 | 267.7 | 272.2 | 282.7 | 299.4 | 306.5 | 325.7 | 329.9 | 36.5 |
| Sumner | 88.0 | 85.0 | 87.4 | 92.3 | 94.8 | 97.0 | 102.5 | 106.3 | 114.7 | 118.1 | 34.2 |
| Medium Comp. | 843.9 | 877.5 | 884.4 | 932.6 | 937.1 | 908.9 | 919.8 | 952.5 | 997.5 | 1,045.5 | 23.9 |
| Kansas Non-Metro (billions) | 6.3 | 6.6 | 6.8 | 7.2 | 7.2 | 7.2 | 7.4 | 7.8 | 8.1 | 8.5 | 34.2 |
| Kansas (billions) | 16.1 | 16.8 | 17.5 | 19.0 | 19.8 | 20.8 | 21.8 | 23.1 | 24.2 | 25.8 | 59.8 |

Source: U.S. Department of Commerce, Bureau of Economic Analysis, *Regional Economic Information System*, Table CA5.

- Labor income levels grew more quickly in McPherson during the 1980s than in any of the medium or adjacent counties (+50%) and about one and a half times as fast as the Kansas non-metropolitan rate (+34%).

Figure 4.6
Average Earnings per Job
McPherson and Comparatives, 1980-85-90



Source: Bureau of Economic Analysis, *Regional Economic Information System*, Tables CA5 and CA25. KCCED calculations used Net Earnings by Place of Work divided by Total Employment.

- Average earnings per job in McPherson in 1990 were \$18,822. This compared with \$18,128 in typical non-metropolitan counties, and \$21,008 for Kansas.
- Several counties with high average earnings per job in 1980 were not able to maintain this position during the early 1980s. McPherson was the only county among all of the comparatives to match the state and non-metro rates of earnings growth in both halves of the decade.
- For the 1985-1990 period, only Johnson (+23.9%) and Saline (+22.9%) among the comparative counties had average earnings growth rates higher than McPherson's (+20.4%).

Section V: Geographic Location and Infrastructure

Some of a community's most important assets are specific to its location. Location-specific assets such as resource availability, climate and capital investment in infrastructure and public facilities, are immobile factors which contribute to a community's natural advantages or disadvantages. Significant changes in these factors tend to take place only over the long term; it is therefore essential that the community make the best use of its locational assets in the short and medium term.

In the following section, each of the following indicators are examined:

- *land area and population density* show how extensive the public infrastructure needs of the community are. Densely populated communities can usually deliver public services such as water and sewer systems more cost effectively;
- *natural resources and percent of land in farms* indicate the natural assets and the economic opportunities provided by the land;
- *average annual precipitation* indicates how favorable the land in the area is for agriculture and indicates how much demand can be placed upon local water supplies through settlement or manufacturing and processing;
- *highway and rail transportation networks* show how well connected the community is with external sources of supplies and customers for local firms;
- *traffic counts* help estimate the demands being made upon the existing infrastructure, and provides an indication of changing patterns in economic activity, as communities become more interdependent; and
- *the accessibility of water and sewer systems* indicate the levels of service available within a community.

GEOGRAPHIC LOCATION AND INFRASTRUCTURE: KEY FINDINGS

- McPherson is accessible to key major markets as it is roughly 60 miles from Wichita, roughly 200 miles from both Kansas City and Oklahoma City and less than 500 miles from Denver.
- McPherson's County's population density matches that of the state, at 30.3 persons per square mile.
- Of the comparative counties, only Barton and Sumner are more sparsely populated.
- McPherson County averages 29.2 inches of precipitation, comparable to the state average of 27 inches.
- Approximately 97 percent of McPherson's land is in farms, a figure typical for a county with its urban-rural mix.
- Natural resources in McPherson County include clay, oil, gas and timber. Most comparative counties have oil and gas deposits and some timberland.
- The county's strategic location is evidenced by its extensive public highway network and relatively large number of miles of Interstate and State highway.
- While the county has rail access to markets, it is not served by as many carriers as many of its peers. The Atchison-Topeka & Santa Fe serves McPherson County.
- The volume of traffic passing into or out of McPherson County increased dramatically during the 1980s, indicating the increasing interdependencies of McPherson County and its neighboring counties.
- Traffic between McPherson and Harvey Counties increased almost one and a half times as much as traffic entering Saline County. This indicates the stronger pull of McPherson into the Wichita area (via Harvey County) than into the east-west interstate connections via Salina.
- Traffic into and out of Reno County also grew rapidly (56%).
- In all categories, light commercial and passenger vehicle traffic grew more quickly than heavy commercial traffic.
- The percentage of permanent residences in McPherson connected to a public or private water or sewer system is relatively low.

GEOGRAPHIC LOCATION AND INFRASTRUCTURE: DATA ANALYSIS

- McPherson's County's population density matches that of the state, at 30.3 persons per square mile.
- Of the comparative counties, only Barton and Sumner are more sparsely populated. The adjacent comparatives are generally twice as densely populated, and the metro comparatives are many times more populated than McPherson.

Table 5.1
Land Area and Population Density, 1990
McPherson, Comparative Counties and Kansas

| | Land Area (Square Miles) | Population Per Square Mile |
|-----------|-----------------------------|-------------------------------|
| McPherson | 900 | 30.3 |
| Metro: | | |
| Johnson | 477 | 744.7 |
| Sedgwick | 1,000 | 403.6 |
| Adjacent: | | |
| Reno | 1,254 | 49.7 |
| Saline | 720 | 68.5 |
| Harvey | 539 | 57.5 |
| Medium: | | |
| Barton | 894 | 32.9 |
| Ellis | 900 | 28.9 |
| Franklin | 574 | 38.3 |
| Lyon | 851 | 40.8 |
| Sumner | 1,182 | 21.9 |
| Kansas | 81,823 | 30.3 |

Source: U.S. Bureau of the Census, *1990 Census of Population and Housing, Summary Population and Housing Characteristics: Kansas*, CPH-1-18.

- The county experiences wide variations in temperature and precipitation. Temperatures in January range from an average low of 18 degrees to an average high of 39 degrees. July average low and high temperatures are, respectively, 68 and 94 degrees.
- McPherson County's average annual precipitation is 29.2 inches; this is less than that experienced by most eastern counties, nearly double that received by the state's far western counties but comparable to the statewide average, 27.0 inches.

Table 5.2
Thirty-Year (1951-80) Average Annual Precipitation
McPherson County, State Climatic Regions, and Kansas
(in inches)

| | |
|---------------|------|
| McPherson | 29.2 |
| North West | 19.9 |
| West Central | 19.6 |
| South West | 18.6 |
| North Central | 26.3 |
| Central | 27.7 |
| South Central | 26.3 |
| North East | 34.3 |
| East Central | 35.4 |
| South East | 36.5 |
| Statewide | 27.0 |

Source: Kansas Agricultural Statistics, *Kansas Farm Facts*, 1990.

- Approximately 97 percent of McPherson's land is in farms, a figure typical for a county with its urban-rural mix.
- Natural resources in McPherson County include clay, oil, gas and timber. Most comparative counties have oil and gas deposits and some timberland.

Table 5.3
Natural Resources and Percent of Land in Farms

| | Percent of Land in Farms | Natural Resources |
|-----------------------|-----------------------------|------------------------------|
| McPherson | 97 | CLA, OIL, GAS, TIM |
| Metro Comparatives | | |
| Johnson | 55 | CRU, SAN, GRA, OIL, GAS, TIM |
| Sedgwick | 83 | SAL, SAN, GRA, OIL, GAS, TIM |
| Adjacent Comparatives | | |
| Reno | 91 | SAL, SAN, GRA, OIL, GAS, TIM |
| Saline | 89 | CLA, SAN, GRA, OIL, TIM |
| Harvey | 93 | SAN, GRA, GAS, OIL, TIM |
| Medium Comparatives | | |
| Barton | 99 | SAN, GRA, CLA, OIL, GAS, TIM |
| Ellis | 99 | SAN, GRA, OIL, TIM |
| Franklin | 87 | CRU, CLA, OIL, GAS, TIM |
| Lyon | 90 | CRU, SAN, GRA, OIL, GAS, TIM |
| Sumner | 96 | SAN, GRA, OIL, GAS, TIM |

Key: CLA - Clay, Tim - Timber, CRU - Crushed Rock, SAN - Sand, GRA - Gravel, SAL - Salt.
Source: John Clements, *Kansas Facts*, (Dallas: Clements Research II, Inc., 1990).

- The county's strategic location is evidenced by its extensive public highway network and relatively large number of miles of Interstate and State highway.
- While the county has rail access to markets, it is not served by as many carriers as many of its peers. The Atchison-Topeka & Santa Fe serves McPherson County.

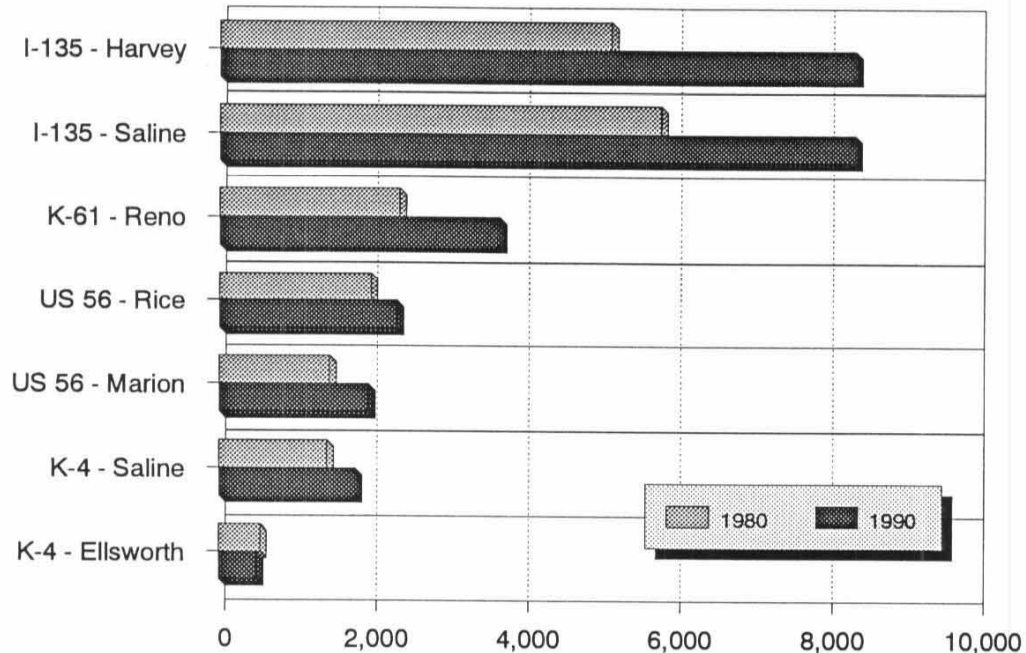
Table 5.4
Highway and Rail Freight Transportation

| | Total Public Highway Miles | Interstate & State Miles | Rail Freight Carriers |
|-----------------------|-------------------------------|-----------------------------|--------------------------|
| McPherson | 1,839 | 148 | AT |
| Metro Comparatives | | | |
| Johnson | 2,516 | 143 | AT, BN, MP |
| Sedgwick | 3,436 | 194 | AT, BN, MP, OK |
| Adjacent Comparatives | | | |
| Reno | 2,680 | 166 | AT, BN, MP, SP |
| Saline | 1,439 | 98 | AT, MP, UP |
| Harvey | 1,240 | 76 | AT, BN, MP, OK |
| Medium Comparatives | | | |
| Barton | 1,896 | 123 | AT, MP |
| Ellis | 1,506 | 68 | MP |
| Franklin | 1,215 | 93 | AT, MP |
| Lyon | 1,625 | 148 | AT, MP |
| Sumner | 2,343 | 210 | AT, MP, OK |

Key: AT - Atchison, Topeka & Santa Fe; BN - Burlington Northern; MP - Missouri Pacific; OK - Oklahoma Texas and Kansas; SP - Southern Pacific; and UP - Union Pacific.

Source: John Clements, *Kansas Facts*, (Dallas: Clements Research II, Inc., 1990).

Figure 5.1
Average Daily Traffic Volume
McPherson Points of Entry/Exit, 1980, 1990



Source: Kansas Department of Transportation, Traffic Flow Maps, 1980-1990.

- The volume of traffic passing into or out of McPherson County increased dramatically during the 1980s, indicating the increasing interdependencies of McPherson County and its neighboring counties.
- Leading the increase in traffic was the pattern of traffic connecting McPherson and Harvey County. Traffic between McPherson and Harvey Counties increased almost one and a half times as much as traffic between Saline and McPherson. This indicates the stronger pull of McPherson into the Wichita area (via Harvey County) than into the east-west interstate connections via Salina.
- Traffic into and out of Reno County also grew rapidly (56%).
- In all categories, light commercial and passenger vehicle traffic grew more quickly than heavy commercial traffic. Shopping, commuting to and from work, and the increased use of smaller commercial vehicles were possible contributing factors.

Table 5.5
Average Daily Traffic Volumes at Points of Entry/Exit
McPherson County, 1980-1990

| <u>Location/Traffic Type</u> | <u>1980</u> | <u>1990</u> | <u>%Change</u> |
|----------------------------------|-------------|-------------|----------------|
| Non-Interstate: | | | |
| K 4 - Ellsworth | 550 | 505 | -8.2% |
| US 56 - Rice | 2,000 | 2,345 | 17.3 |
| K 61 - Reno | 2,380 | 3,700 | 55.5 |
| US 56 - Marion | 1,460 | 1,970 | 34.9 |
| K 4 - Saline | 1,425 | 1,800 | 26.3 |
| Total Heavy Commercial | 1,410 | 1,305 | -7.4 |
| Total Light Commercial/Passenger | 6,455 | 9,015 | 39.7 |
| Total - All Types | 7,865 | 10,320 | 31.2 |
| Interstate: | | | |
| I 135 - Saline | 5,825 | 8,370 | 43.7 |
| I 135 - Harvey | 5,165 | 8,375 | 62.1 |
| Total Heavy Commercial | 3,380 | 3,898 | 15.3 |
| Total Light Commercial/Passenger | 7,610 | 12,847 | 68.8 |
| Total - All Types | 10,990 | 16,745 | 52.4 |

Source: Kansas Department of Transportation, Traffic Flow Maps, 1980-1990.

- The percentage of permanent residences in McPherson connected to a public or private water system is lower than in all but three comparison counties (Reno, Barton and Sumner).
- Similarly, the percentage of permanent residences connected to a sewer system is comparatively low.

Table 5.6
Access to Water and Sewer Systems
McPherson and Comparative Counties, 1990

| | <u>Percent of Permanent Residences with Utility System Connections</u> | |
|-----------------------|--|--------------|
| | <u>Water</u> | <u>Sewer</u> |
| McPherson | 82% | 78% |
| Metro Comparatives | | |
| Johnson | 99 | 94 |
| Sedgwick | 91 | 91 |
| Adjacent Comparatives | | |
| Reno | 75 | 79 |
| Saline | 95 | 90 |
| Harvey | 87 | 84 |
| Medium Comparatives | | |
| Barton | 81 | 79 |
| Ellis | 87 | 87 |
| Franklin | 87 | 69 |
| Lyon | 93 | 84 |
| Sumner | 78 | 68 |

Source: U.S. Bureau of the Census, *1990 Census of Population and Housing*, Summary Tape File 3a.

Section VI: Business Environment

A community's business environment is affected by several things. Past decisions by investors, business managers, taxpayers and policy makers each contribute to shape a climate which is either promotes or inhibits the productivity of local businesses and therefore affects decisions about growth and expansion. Other contributing factors include the level of competition, the availability of suppliers and supporting industries, the cost of labor, and taxation and regulation within the community. Some types of establishments will thrive in an environment which other firms cannot operate in profitably. Among other things, studying the business environment can lead to a better understanding about which types of businesses are doing well and how business conditions and the performance of particular industries is changing over time.

This section reviews the following indicators:

- *distribution of firms, by number of employees and sector* to determine what changes are taking place at the firm level in the local economy;
- *average annual pay per employee by sector* as an indicator of changing patterns in business productivity, reflected by increases or decreases in relative wages;
- *distribution of employment by sector* to assess how local sectoral performance compares with larger scale trends, and *net job creation by industry*, to determine which industries are growing most quickly at the local level;
- *levels of taxable retail sales and annual growth rates of retail sales* as indicators of retail sector performance and trends and the overall strength of the local consumer market;
- the *number of farms, acres harvested, average farm size* and the *value of field crops and livestock and poultry* to reflect the levels of farm activity and the changing character of farming; and,
- *levels of assessment, bonded indebtedness and tax levies* which reveal the capacity of the public sector to take on new public investments.

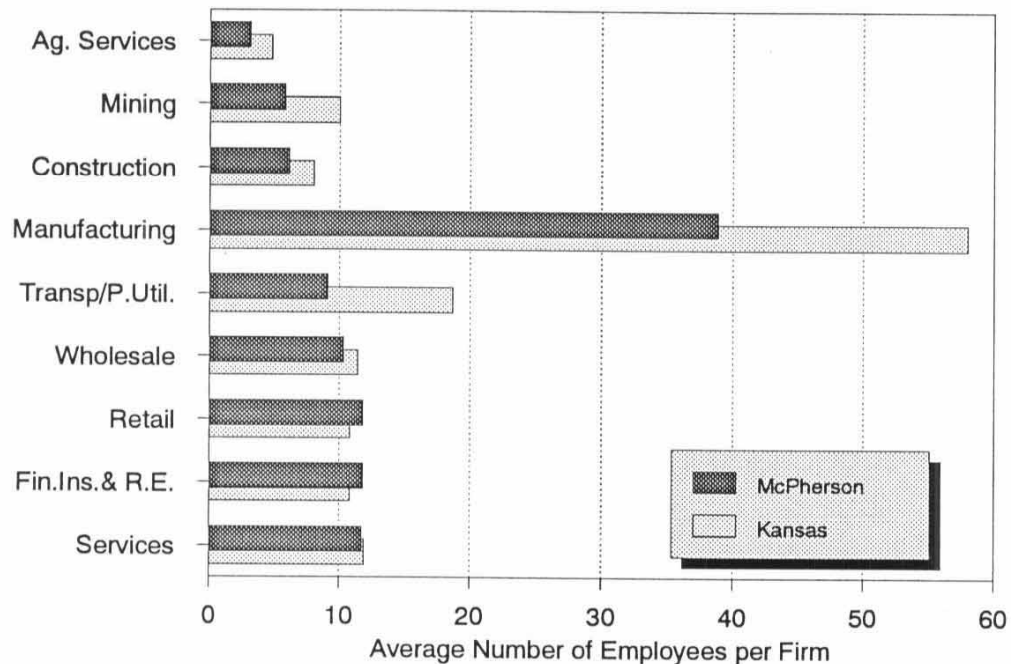
BUSINESS ENVIRONMENT: KEY FINDINGS

- The number of firms in McPherson increased from 731 in 1980 to 840 in 1990, with most of the increase coming from wholesale, service and manufacturing firms.
- Associated with the growth in number of firms was a trend toward smaller firms, particularly in the manufacturing and transportation sectors.
- Average annual pay per employee lagged the statewide average by almost 15% in 1990, a small improvement from the 17% differential in 1980.
- Average pay per employee in McPherson lagged state averages in every sector in 1990 except for wholesale and manufacturing, McPherson's highest paying sectors overall.
- More than 1,170 jobs were added in McPherson during the 1980s. The 7.2 percent net job creation rate was better than those of the adjacent and medium sized comparative counties. The Manufacturing (+521 jobs) and Service sectors (+539) combined accounted for 90% of all job creation in the county over this period.
- Wholesaling, Transportation and public utilities, and Farming each lost around 200 jobs in McPherson between 1980 and 1990.
- Sectors of McPherson's economy which accounted for a greater than usual share of 1990 employment were: Farming, Mining, Manufacturing, and Services; the Wholesale, Retail and Government sectors accounted for a smaller than average share of employment.
- Real levels of taxable retail sales (adjusted for inflation) declined by 18 percent in McPherson from 1981 to 1991. Most of this decline occurred prior to 1986; since then, real levels of taxable retail sales have remained more or less stable.
- The number of farms in McPherson declined, while the number of acres harvested and the value of output maintained stable levels, indicating a trend toward fewer, bigger farms.

BUSINESS ENVIRONMENT: DATA ANALYSIS

Figure 6.1

Average Size of Firms, by Sector McPherson County and Kansas, 1990



Source: U.S. Bureau of the Census, *County Business Patterns*, 1990.

- The number of firms in McPherson County increased from 731 in 1980 to 840 in 1990, a 15 percent increase. Over the same period, the number of firms statewide increased 19 percent.
- Nearly all of the increase in the number of business establishments in McPherson County during the 1980s came from three sectors: wholesale (+62%), services (+43%) and manufacturing (+35%).
- Associated with the growth in the number of firms was the trend toward smaller firms. Overall, the average number of employees per firm declined from 13.5 employees to 12.5 employees per firm. This pattern was evident in nearly all sectors, but was particularly the case in the manufacturing and transportation sectors. Only retail and finance, insurance and real estate tended toward larger firms instead of smaller firms.

- The size of McPherson County firms are very similar to those of the state as a whole. Three-quarters of all firms have fewer than ten employees while roughly 4 percent employ at least fifty staff.
- McPherson County, like the state as a whole, enjoyed increases in the number of firms in nearly every size category (firms with 10-19 employees declined by 5%). The increases were greatest among firms with 1-4 and 50+ employees (21% and 29%, respectively).

Table 6.1
Number of Private Non-Farm Firms by Sector and Number of Employees
McPherson County, 1980 and 1990

| <u>Sector / Industry</u> | | <u>Total</u> | <u>1-4</u> | <u>5-9</u> | <u>10-19</u> | <u>20-49</u> | <u>50+</u> |
|-----------------------------|------|--------------|------------|------------|--------------|--------------|------------|
| All Private Sectors | 1990 | 840 | 487 | 160 | 91 | 64 | 38 |
| | 1980 | 731 | 403 | 146 | 96 | 57 | 29 |
| Agricultural Services | 1990 | 11 | 9 | 2 | 0 | 0 | 0 |
| | 1980 | 8 | 8 | 0 | 0 | 0 | 0 |
| Mining | 1990 | 31 | 18 | 8 | 3 | 2 | 0 |
| | 1980 | 32 | 14 | 7 | 5 | 5 | 1 |
| Construction | 1990 | 77 | 50 | 13 | 9 | 3 | 2 |
| | 1980 | 75 | 53 | 11 | 8 | 2 | 1 |
| Manufacturing | 1990 | 77 | 27 | 9 | 11 | 17 | 13 |
| | 1980 | 57 | 15 | 5 | 11 | 14 | 12 |
| Transp. & Public Utilities | 1990 | 44 | 24 | 10 | 8 | 1 | 1 |
| | 1980 | 27 | 14 | 8 | 4 | 1 | 0 |
| Wholesale Trade | 1990 | 51 | 21 | 15 | 9 | 5 | 1 |
| | 1980 | 60 | 27 | 12 | 14 | 7 | 0 |
| Retail | 1990 | 194 | 101 | 43 | 20 | 22 | 8 |
| | 1980 | 194 | 102 | 46 | 30 | 14 | 2 |
| Finance, Ins. & Real Estate | 1990 | 58 | 32 | 11 | 8 | 5 | 2 |
| | 1980 | 62 | 33 | 13 | 9 | 5 | 2 |
| Services | 1990 | 267 | 177 | 48 | 23 | 8 | 11 |
| | 1980 | 188 | 111 | 42 | 15 | 9 | 11 |

Source: U.S. Bureau of the Census, *County Business Patterns*, 1980 and 1990.

- McPherson County had at least one firm with 50 or more employees in every sector except agricultural services and mining in 1990.

Table 6.2
Number of Private, Non-Farm Firms by Sector and Number of Employees
Kansas, 1980 and 1990

| <u>Sector / Industry</u> | | <u>Total</u> | <u>1-4</u> | <u>5-9</u> | <u>10-19</u> | <u>20-49</u> | <u>50+</u> |
|-----------------------------|------|--------------|------------|------------|--------------|--------------|------------|
| All Private Sectors | 1990 | 65,858 | 36,385 | 13,216 | 8,031 | 5,316 | 2,910 |
| | 1980 | 55,021 | 30,569 | 11,129 | 6,696 | 4,376 | 2,251 |
| Agricultural Services | 1990 | 965 | 670 | 193 | 72 | 25 | 5 |
| | 1980 | 547 | 413 | 98 | 26 | 9 | 1 |
| Mining | 1990 | 1,138 | 665 | 215 | 126 | 98 | 34 |
| | 1980 | 1,137 | 567 | 195 | 156 | 152 | 67 |
| Construction | 1990 | 5,676 | 3,554 | 1,100 | 543 | 337 | 142 |
| | 1980 | 5,149 | 3,271 | 934 | 494 | 308 | 142 |
| Manufacturing | 1990 | 3,367 | 1,084 | 568 | 548 | 524 | 643 |
| | 1980 | 2,919 | 747 | 497 | 498 | 523 | 624 |
| Transp. & Public Utilities | 1990 | 3,180 | 1,705 | 512 | 463 | 310 | 190 |
| | 1980 | 2,881 | 1,359 | 712 | 349 | 292 | 169 |
| Wholesale Trade | 1990 | 5,713 | 2,551 | 1,458 | 992 | 547 | 165 |
| | 1980 | 5,267 | 2,172 | 1,405 | 990 | 546 | 154 |
| Retail | 1990 | 16,845 | 7,686 | 4,148 | 2,557 | 1,786 | 668 |
| | 1980 | 15,204 | 7,538 | 3,556 | 2,291 | 1,397 | 422 |
| Finance, Ins. & Real Estate | 1990 | 5,657 | 3,634 | 858 | 584 | 372 | 209 |
| | 1980 | 4,893 | 3,082 | 842 | 494 | 320 | 155 |
| Services | 1990 | 20,891 | 12,511 | 4,108 | 2,119 | 1,299 | 854 |
| | 1980 | 14,270 | 8,930 | 2,679 | 1,331 | 813 | 517 |

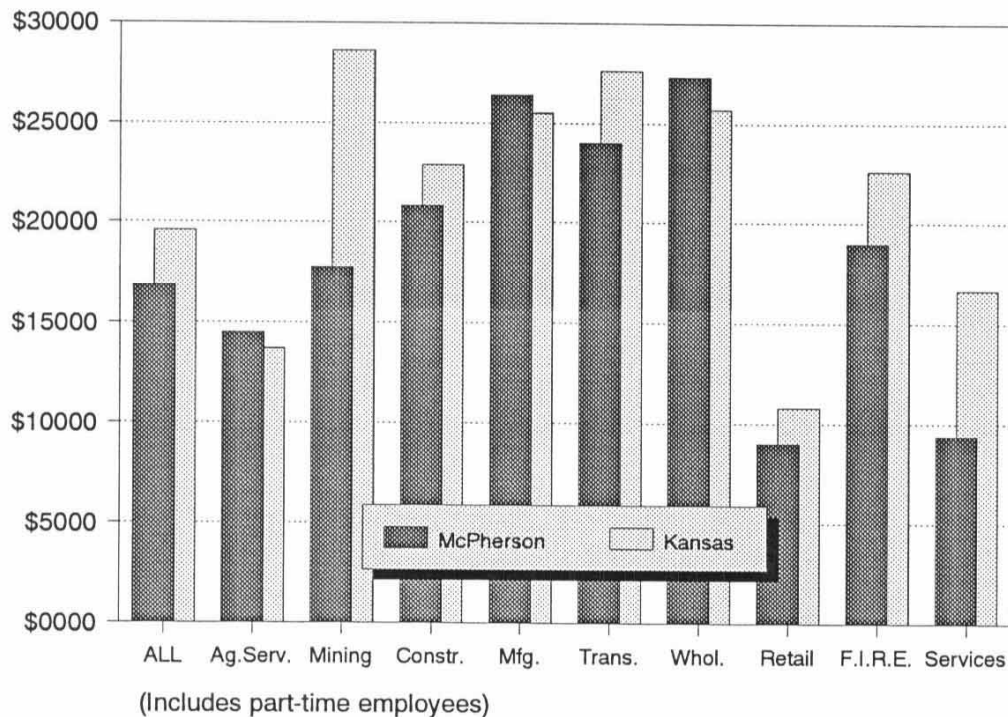
Source: U.S. Bureau of the Census, *County Business Patterns*, 1980 and 1990.

Table 6.3
Average Size of Private, Non-Farm Firms
McPherson County and Kansas, 1980, 1990

| <u>Sector / Industry</u> | <u>Average Number of Employees Per Firm</u> | | | |
|------------------------------|---|-------------|---------------|-------------|
| | <u>McPherson</u> | | <u>Kansas</u> | |
| | <u>1980</u> | <u>1990</u> | <u>1980</u> | <u>1990</u> |
| Private Sector | 13.5 | 12.5 | 13.9 | 13.6 |
| Agricultural Services | NA | 3.1 | 4.0 | 4.8 |
| Mining | 10.2 | 5.8 | 15.3 | 10.0 |
| Construction | 7.6 | 6.1 | 8.0 | 8.0 |
| Manufacturing | 50.9 | 38.9 | 71.0 | 58.0 |
| Transp. & Public Utilities | 7.1 | 9.1 | 17.9 | 18.7 |
| Wholesale Trade | 10.2 | 10.3 | 11.4 | 11.4 |
| Retail | 8.3 | 10.4 | 10.8 | 11.9 |
| Finance, Ins., & Real Estate | 11.4 | 11.8 | 10.1 | 10.8 |
| Services | 15.8 | 11.7 | 10.9 | 11.9 |

Source: U.S. Bureau of the Census, *County Business Patterns*, 1980 and 1990.

Figure 6.2
Avg. Annual Pay Per Employee, by Sector
McPherson and Kansas, 1990



Source: U.S. Bureau of the Census, *County Business Patterns*, 1990.

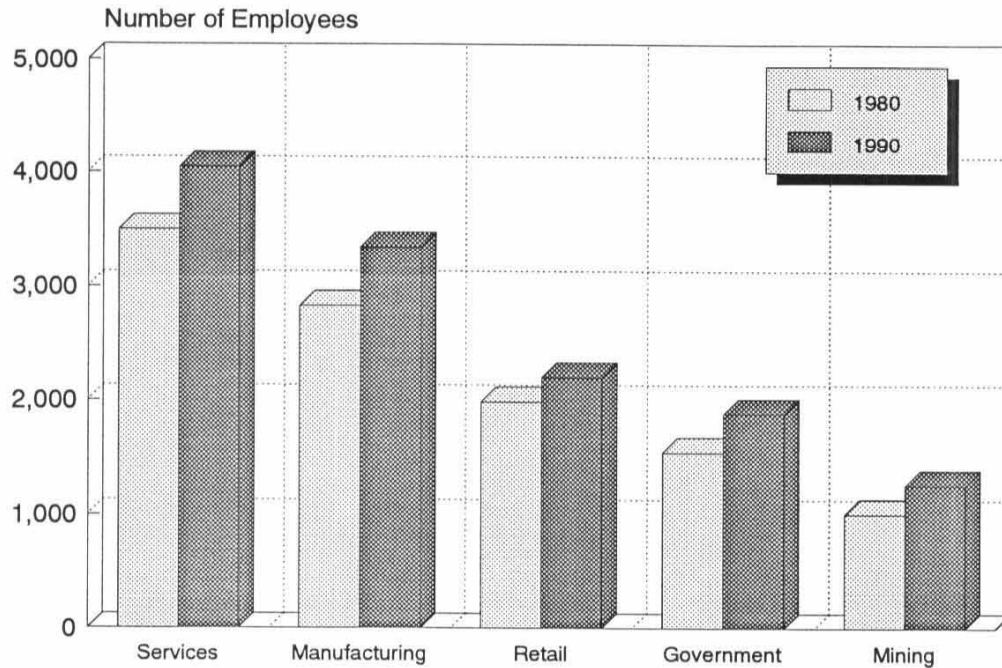
- In 1990, the average annual pay per employee in McPherson County was \$16,900, less than the state average by 14.7 percent.
- During the 1980s, McPherson's position relative to statewide average annual pay improved. In 1980, McPherson's average pay was 17.5% less than the state average; in 1990, average pay was within 14.7 percent of state levels.
- Wholesale and manufacturing jobs pay the highest, on average, in McPherson County. In both of these sectors, average annual pay exceeds the state average. For nearly all other sectors, McPherson's average pay lags the state level.
- The services and mining sectors in McPherson have particularly low rates of pay relative to the state average, suggesting either higher than usual rates of part-time and seasonal employment, relatively low value-added levels, or low levels of productivity in these firms.

Table 6.4
 Average Annual Pay Per Employee by Sector
 Private, Non-Farm Firms (in \$Thousands)
 McPherson County and Kansas, 1980 and 1990

| <u>Sector / Industry</u> | <u>McPherson</u> | | <u>Kansas</u> | |
|--------------------------|------------------|-------------|---------------|-------------|
| | <u>1980</u> | <u>1990</u> | <u>1980</u> | <u>1990</u> |
| Private Sector Total | \$10.4 | \$16.9 | \$12.6 | \$19.6 |
| Agricultural Ser. | N/A | 14.5 | 9.7 | 13.7 |
| Mining | 22.9 | 17.8 | 21.4 | 28.6 |
| Construction | 12.2 | 20.8 | 14.2 | 22.9 |
| Manufacturing | 14.9 | 26.4 | 15.4 | 25.5 |
| Trans. & Pub. Util. | 11.3 | 24.0 | 16.1 | 27.6 |
| Wholesale Trade | 12.8 | 27.3 | 15.7 | 25.7 |
| Retail | 5.9 | 9.0 | 7.4 | 10.8 |
| F.I.R.E. | 12.2 | 19.0 | 13.3 | 22.6 |
| Services | 6.8 | 9.4 | 9.8 | 16.7 |

Source: U.S. Bureau of the Census, *County Business Patterns*, 1980 and 1990.

Figure 6.3
 Number of Jobs, Selected Sectors
 McPherson County, 1980 and 1990



Source: U.S. Bureau of Economic Analysis, Table CA25, *Full- and Part-Time Employees by Major Industry*.

- Overall, 1,170 jobs were added to the McPherson County economy between 1980 and 1990, an increase of 7.2 percent.
- The biggest gains in number of jobs in McPherson came from Services (539 jobs), Manufacturing (521 jobs) and Government (339 jobs). Combined, these two sectors accounted for 90 percent of McPherson's net job creation over the 1980s.
- Sectors which lost employment were Wholesale (-216 jobs), Transportation and public utilities (-198), Farming (-181), Finance, insurance and real estate (-88) and Construction (-45 jobs).

Table 6.5
Distribution of Jobs, Net Change and Percent Change by Sector
McPherson County, 1980-1990

| <u>Industry</u> | <u>1980</u> | <u>1990</u> | <u>Net Change</u> | <u>Percent Change</u> | <u>Industry Share of Net Change</u> |
|------------------------|-------------|-------------|-----------------------|---------------------------|---|
| Total | 16,260 | 17,430 | 1,170 | 7.2% | 100.0% |
| Farm | 1,782 | 1,601 | -181 | -10.2 | N.M. |
| Non-Farm | 14,478 | 15,829 | 1,351 | 9.3 | 115.5 |
| Ag. Services | 91 | 119 | 28 | 30.8 | 2.4 |
| Mining | 1,008 | 1,262 | 254 | 25.2 | 21.7 |
| Construction | 890 | 845 | -45 | -5.1 | N.M. |
| Manufacturing | 2,827 | 3,348 | 521 | 18.4 | 44.5 |
| Transportation/P.Util. | 940 | 742 | -198 | -21.1 | N.M. |
| Wholesale | 618 | 402 | -216 | -35.0 | N.M. |
| Retail | 1,984 | 2,201 | 217 | 10.9 | 18.5 |
| Finance, Ins. & R.E. | 1,073 | 985 | -88 | -8.2 | N.M. |
| Service | 3,504 | 4,043 | 539 | 15.4 | 46.1 |
| Government | 1,543 | 1,882 | 339 | 22.0 | 29.0 |

Notes: Industry totals exceed 100% due to job declines in other sectors which lower the total net job creation.
N.M. = Not meaningful.

Source: U.S. Bureau of Economic Analysis, Table CA25, *Full- and Part-Time Employees by Major Industry*.

- McPherson County's net job creation out-performed both the adjacent and medium comparative counties. On average over the decade, medium comparative counties gained 427 jobs each, adjacent counties gained 934, compared with McPherson's 1,170 net new jobs. Other than the metro comparatives, only Saline County did better than McPherson, adding 3,085 jobs.
- In terms of the rate of job growth, McPherson's 7.2 percent increase was twice that of the adjacent comparatives, while medium-sized comparatives' employment grew by 2.9 percent and non-metropolitan counties in Kansas experienced a job creation rate of 2.7 percent. Saline, Ellis and Lyon Counties each had job creation rates higher than McPherson's.
- Johnson and Sedgwick Counties combined accounted for nearly three-quarters of all job creation in the state between 1980 and 1990.

Table 6.6
Total Employment, Net Change and Percent Change
McPherson, Comparative Counties, and Kansas, 1980 and 1990

| <u>County</u> | <u>1980</u> | <u>1990</u> | <u>Net Change</u> | <u>Percent Change</u> |
|----------------|-------------|-------------|-----------------------|---------------------------|
| McPherson | 16,260 | 17,430 | 1,170 | 7.2% |
| Metro Comp. | 373,919 | 512,176 | 138,257 | 37.0 |
| Johnson | 141,148 | 242,894 | 101,746 | 72.0 |
| Sedgwick | 232,771 | 269,282 | 36,511 | 15.7 |
| Adjacent Comp. | 80,682 | 83,663 | 2,801 | 3.5 |
| Reno | 35,013 | 34,953 | -60 | -0.2 |
| Saline | 29,194 | 32,279 | 3,085 | 10.6 |
| Harvey | 16,655 | 16,431 | -224 | -1.3 |
| Medium Comp. | 73,887 | 76,020 | 2,133 | 2.9 |
| Barton | 19,796 | 18,236 | -1,560 | -7.9 |
| Ellis | 15,204 | 16,795 | 1,591 | 10.5 |
| Franklin | 10,017 | 10,163 | 146 | 1.5 |
| Lyon | 18,379 | 20,137 | 1,758 | 9.6 |
| Sumner | 10,491 | 10,689 | 198 | 1.9 |
| Non-Metro | 624,269 | 641,079 | 16,810 | 2.7 |
| Kansas | 1,286,742 | 1,472,564 | 185,822 | 14.4 |

Source: U.S. Bureau of Economic Analysis, Table CA25, *Full- and Part-Time Employees by Major Industry*.

- During the decade farm employment fell in McPherson County by 181 jobs. The rate of job loss (-10%) was moderate compared to those of all of the comparatives, which typically declined by 15 percent or more.
- Despite losing jobs, the farm sector, at 9.2 percent of total employment, remained an important part of the McPherson County economy. Farming's share of overall employment in medium-sized comparatives averaged 7.7 percent, while in adjacent counties, the share was 4.4 percent.

Table 6.7
Farm Employment, Net Change and Percent Change
McPherson, Comparative Counties, and Kansas, 1980 and 1990

| <u>County</u> | <u>1980</u> | <u>Percent of 1980 Total</u> | <u>1990</u> | <u>Percent of 1990 Total</u> | <u>Net Change</u> | <u>Percent Change</u> |
|----------------|-------------|----------------------------------|-------------|----------------------------------|-----------------------|---------------------------|
| McPherson | 1,782 | 11.0 | 1,601 | 9.2 | -181 | -10.2% |
| Metro Comp. | 3,340 | 0.9 | 2,753 | 0.5 | -587 | -17.6 |
| Johnson | 1,067 | 0.8 | 876 | 0.4 | -191 | -17.9 |
| Sedgwick | 2,273 | 1.0 | 1,877 | 0.7 | -396 | -17.4 |
| Adjacent Comp. | 4,375 | 5.4 | 3,705 | 4.4 | -670 | -15.3 |
| Reno | 2,216 | 6.3 | 1,866 | 5.3 | -350 | -15.8 |
| Saline | 1,035 | 3.5 | 872 | 2.7 | -163 | -15.7 |
| Harvey | 1,124 | 6.7 | 967 | 5.9 | -157 | -14.0 |
| Medium Comp. | 6,831 | 9.2 | 5,829 | 7.7 | -1002 | -14.7 |
| Barton | 1,484 | 7.5 | 1,148 | 6.3 | -336 | -22.6 |
| Ellis | 1,151 | 7.6 | 973 | 5.8 | -178 | -15.5 |
| Franklin | 1,258 | 12.6 | 1,171 | 11.5 | -87 | -6.9 |
| Lyon | 1,166 | 6.3 | 1,011 | 5.0 | -155 | -13.3 |
| Sumner | 1,772 | 16.9 | 1,526 | 14.3 | -246 | -13.9 |
| Non-Metro | 90,441 | 14.5 | 75,445 | 11.8 | -14,996 | -16.6 |
| Kansas | 102,162 | 7.9 | 84,411 | 5.7 | -17,751 | -17.4 |

Source: U.S. Bureau of Economic Analysis, Table CA25, *Full- and Part-Time Employees by Major Industry*.

- Mining employment (which includes oil extraction) in McPherson County increased by 254 jobs from 1980 to 1990. Only Sedgwick, Johnson and Ellis added more employment in this sector during the decade.
- The mining sector is a proportionately larger segment of the economy in McPherson County than in any of the comparative counties except Barton and Ellis. Mining accounted for 7.2 percent of McPherson County's jobs in 1990, almost as much as Farming (9.2%) or Government (10.2%).
- The two comparative counties which depend more heavily on mining than McPherson showed contrasting growth trends. In Barton County, Mining accounted for 11 percent of employment, with Mining employment suffering decline; in Ellis County, Mining (8.2% of jobs), enjoyed robust job growth similar to McPherson's.

Table 6.8
Mining Employment, Net Change and Percent Change
McPherson, Comparative Counties, and Kansas, 1980, 1990

| County | 1980 | Percent of 1980 Total | 1990 | Percent of 1990 Total | Net Change | Percent Change |
|----------------|--------|--------------------------|--------|--------------------------|---------------|-------------------|
| McPherson | 1,008 | 6.2% | 1,262 | 7.2% | 254 | 25.2% |
| Metro Comp. | 5,954 | 1.6 | 7,287 | 1.4 | 1,333 | 22.4 |
| Johnson | 524 | 0.4 | 771 | 0.3 | 247 | 47.1 |
| Sedgwick | 5,429 | 2.3 | 6,516 | 2.4 | 1,087 | 20.0 |
| Adjacent Comp. | 907 | 1.1 | 971 | 1.2 | 64 | 7.1 |
| Reno | 534 | 1.5 | 538 | 1.5 | 4 | 0.7 |
| Saline | 125 | 0.4 | 131 | 0.4 | 6 | 4.8 |
| Harvey | 248 | 1.5 | 302 | 1.8 | 54 | 21.8 |
| Medium Comp. | 4,670 | 6.3 | 4,130 | 5.4 | -540 | -11.6 |
| Barton | 2,940 | 14.9 | 2,005 | 11.0 | -935 | -31.8 |
| Ellis | 1,043 | 6.9 | 1,380 | 8.2 | 337 | 32.3 |
| Franklin | 205 | 2.0 | 282 | 2.8 | 77 | 37.6 |
| Lyon | 212 | 1.2 | 132 | 0.7 | -80 | -37.7 |
| Sumner | 270 | 2.6 | 331 | 3.1 | 61 | 22.6 |
| Non-Metro | 20,101 | 3.2 | 18,142 | 2.8 | -1,959 | -9.7 |
| Kansas | 28,009 | 2.2 | 27,057 | 1.8 | -952 | -3.4 |

Source: U.S. Bureau of Economic Analysis, Table CA25, *Full- and Part-Time Employees by Major Industry*.

- In sharp contrast to the experience of the comparison groups, non-metro Kansas and the state as a whole, manufacturing employment in McPherson County grew during the decade. The growth rate of manufacturing jobs in McPherson County (18.4%) nearly matched the Johnson County growth rate for manufacturing jobs (+22.6%).
- Manufacturing is a proportionately larger sector of the economy in McPherson County (19.2 percent of employment) than in all comparison counties except Sedgwick and Lyon (22.7 and 21.3 percent, respectively). In typical non-metropolitan Kansas Counties, manufacturing accounts for 11.3 percent of all jobs.

Table 6.9
Manufacturing Employment, Net Change and Percent Change
McPherson, Comparative Counties and Kansas, 1980, 1990

| <u>County</u> | <u>1980</u> | <u>Percent of 1980 Total</u> | <u>1990</u> | <u>Percent of 1990 Total</u> | <u>Net Change</u> | <u>Percent Change</u> |
|----------------|-------------|----------------------------------|-------------|----------------------------------|-----------------------|---------------------------|
| McPherson | 2,827 | 17.4 | 3,348 | 19.2 | 521 | 18.4% |
| Metro Comp. | 80,501 | 21.5 | 81,769 | 16.0 | -1,268 | 1.6 |
| Johnson | 16,929 | 12.0 | 20,751 | 8.5 | 3,822 | 22.6 |
| Sedgwick | 63,572 | 27.3 | 61,018 | 22.7 | -2,554 | -4.0 |
| Adjacent Comp. | 16,933 | 20.9 | 13,799 | 16.5 | -3,134 | -18.5 |
| Reno | 8,274 | 23.6 | 5,621 | 16.1 | -2,653 | -32.1 |
| Saline | 5,070 | 17.4 | 5,317 | 16.5 | 247 | 4.9 |
| Harvey | 3,589 | 21.5 | 2,861 | 17.4 | -728 | -20.3 |
| Medium Comp. | 10,816 | 14.6 | 9,359 | 12.3 | -1,457 | -13.5 |
| Barton | 2,111 | 10.7 | 1,862 | 10.2 | -249 | -11.8 |
| Ellis | 1,482 | 9.7 | 614 | 3.7 | -868 | -58.6 |
| Franklin | 1,886 | 18.8 | 1,460 | 14.4 | -426 | -22.6 |
| Lyon | 3,965 | 21.6 | 4,299 | 21.3 | 334 | 8.4 |
| Sumner | 1,372 | 13.1 | 1,124 | 10.5 | -248 | -18.1 |
| Non-Metro | 71,290 | 11.4 | 72,127 | 11.3 | 837 | 1.2 |
| Kansas | 195,121 | 15.2 | 189,585 | 12.9 | -5,536 | -2.8 |

Source: U.S. Bureau of Economic Analysis, Table CA25, *Full- and Part-Time Employees by Major Industry*.

- Wholesale employment in McPherson County decreased more sharply in McPherson County than in any comparative during the decade, declining by 35 percent.
- A total of 216 wholesale jobs were lost in McPherson County in the 1980s. Of the comparatives, only Barton lost more wholesaling jobs (408). Saline County appeared to gain most of these jobs, rising in wholesale employment by 427 jobs.
- In 1990, wholesaling accounted for 2.3 percent of McPherson's jobs. This was nearly half the share wholesaling normally contributes to typical non-metropolitan economies.

Table 6.10
Wholesale Employment, Net Change and Percent Change
McPherson, Comparative Counties and Kansas, 1980, 1990

| <u>County</u> | <u>1980</u> | <u>Percent of 1980 Total</u> | <u>1990</u> | <u>Percent of 1990 Total</u> | <u>Net Change</u> | <u>Percent Change</u> |
|----------------|-------------|----------------------------------|-------------|----------------------------------|-----------------------|---------------------------|
| McPherson | 618 | 3.8% | 402 | 2.3% | -216 | -35.0% |
| Metro Comp. | 23,917 | 6.4 | 31,232 | 6.1 | 7,315 | 30.6 |
| Johnson | 11,401 | 8.1 | 17,964 | 7.4 | 6,563 | 57.6 |
| Sedgwick | 12,516 | 5.4 | 13,268 | 4.9 | 752 | 6.0 |
| Adjacent Comp. | 4,331 | 5.4 | 4,334 | 5.2 | 3 | 0.1 |
| Reno | 1,768 | 5.0 | 1,504 | 4.3 | -264 | -14.9 |
| Saline | 1,983 | 6.8 | 2,410 | 7.5 | 427 | 21.5 |
| Harvey | 580 | 3.5 | 420 | 2.6 | -160 | -27.6 |
| Medium Comp. | 3,622 | 4.9 | 3,138 | 4.1 | -484 | -13.4 |
| Barton | 1,543 | 7.8 | 1,135 | 6.2 | -408 | -26.4 |
| Ellis | 601 | 4.0 | 661 | 3.9 | 60 | 10.0 |
| Franklin | 624 | 6.2 | 409 | 4.0 | -215 | -34.5 |
| Lyon | 528 | 2.9 | 686 | 3.4 | 158 | 29.9 |
| Sumner | 326 | 3.1 | 247 | 2.3 | -79 | -24.2 |
| Non-Metro | 28,954 | 4.6 | 26,479 | 4.1 | -2,475 | -8.5 |
| Kansas | 68,485 | 5.3 | 73,311 | 5.0 | 4,826 | 7.0 |

Source: U.S. Bureau of Economic Analysis, Table CA25, *Full- and Part-Time Employees by Major Industry*.

- Retailing grew by 217 jobs, or 10.9 percent, in McPherson County during the decade. While this growth rate was well below the growth rate of the metropolitan centers, it was exceeded only by Ellis and Harvey among the remaining comparative counties.
- In 1980, the retail sector was under-developed, accounting for 12.2 percent of employment, well below the average share of employment retailing contributed in all of the comparatives. Despite moderate growth in the 1980s, retailing continued to account for a smaller share of jobs (12.6%) than was typical for medium sized comparatives (16.9%). Proximity to Wichita, Hutchinson, and Salina is no doubt a contributing factor.

Table 6.11
Retail Employment, Net Change and Percent Change
McPherson, Comparative Counties and Kansas, 1980, 1990

| <u>County</u> | <u>1980</u> | <u>Percent of 1980 Total</u> | <u>1990</u> | <u>Percent of 1990 Total</u> | <u>Net Change</u> | <u>Percent Change</u> |
|----------------|-------------|----------------------------------|-------------|----------------------------------|-----------------------|---------------------------|
| McPherson | 1,984 | 12.2% | 2,201 | 12.6% | 217 | 10.9% |
| Metro Comp. | 65,104 | 17.4 | 88,863 | 17.4 | 23,759 | 36.5 |
| Johnson | 29,726 | 21.1 | 45,824 | 18.9 | 16,098 | 54.2 |
| Sedgwick | 35,378 | 15.2 | 43,039 | 16.0 | 7,661 | 21.7 |
| Adjacent Comp. | 14,522 | 18.0 | 15,844 | 18.9 | 1,322 | 9.1 |
| Reno | 6,351 | 18.1 | 6,979 | 20.0 | 628 | 9.9 |
| Saline | 5,841 | 20.0 | 6,221 | 19.3 | 380 | 6.5 |
| Harvey | 2,330 | 14.0 | 2,644 | 16.1 | 314 | 13.5 |
| Medium Comp. | 12,489 | 16.9 | 12,815 | 16.9 | 326 | 2.6 |
| Barton | 3,397 | 17.2 | 3,010 | 16.5 | -387 | -11.4 |
| Ellis | 2,840 | 18.7 | 3,350 | 19.9 | 510 | 18.0 |
| Franklin | 1,536 | 15.3 | 1,587 | 15.6 | 51 | 3.3 |
| Lyon | 3,045 | 16.6 | 3,306 | 16.4 | 261 | 8.6 |
| Sumner | 1,671 | 15.9 | 1,562 | 14.6 | -109 | -6.5 |
| Non-Metro | 92,492 | 14.8 | 95,567 | 14.9 | 3,075 | 3.3 |
| Kansas | 198,491 | 15.4 | 232,990 | 15.8 | 34,499 | 17.4 |

Source: U.S. Bureau of Economic Analysis, Table CA25, *Full- and Part-Time Employees by Industry*.

- Service sector job creation in McPherson County was relatively weak during the 1980s. Although the number of jobs expanded by 539, the growth rate of 15.4 percent was exceeded by every comparative except Harvey and Barton.
- The service sector constituted 23.2 percent of McPherson County employment in 1990. This was a larger share than in every medium size comparative except Ellis, but less than any of the adjacent counties, which averaged a 26 percent share. The non-metropolitan average service sector share was 19.8 percent of employment in 1990.

Table 6.12
Service Employment, Net Change and Percent Change
McPherson, Comparative Counties and Kansas, 1980, 1990

| <u>County</u> | <u>1980</u> | <u>Percent of 1980 Total</u> | <u>1990</u> | <u>Percent of 1990 Total</u> | <u>Net Change</u> | <u>Percent Change</u> |
|----------------|-------------|----------------------------------|-------------|----------------------------------|-----------------------|---------------------------|
| McPherson | 3,504 | 21.5% | 4,043 | 23.2% | 539 | 15.4% |
| Metro Comp. | 84,233 | 22.5 | 141,233 | 27.6 | 57,000 | 67.7 |
| Johnson | 35,382 | 25.1 | 72,478 | 29.8 | 37,096 | 104.8 |
| Sedgwick | 48,851 | 21.0 | 68,755 | 25.5 | 19,904 | 40.7 |
| Adjacent Comp. | 17,773 | 22.0 | 21,869 | 26.1 | 4,096 | 23.0 |
| Reno | 6,342 | 18.1 | 8,348 | 23.9 | 2,006 | 31.6 |
| Saline | 6,869 | 23.5 | 8,591 | 26.6 | 1,722 | 25.1 |
| Harvey | 4,562 | 27.4 | 4,930 | 30.0 | 368 | 8.1 |
| Medium Comp. | 13,324 | 18.0 | 16,099 | 21.2 | 2,775 | 20.8 |
| Barton | 3,401 | 17.2 | 3,713 | 20.4 | 312 | 9.2 |
| Ellis | 3,359 | 22.1 | 4,383 | 26.1 | 1,024 | 30.5 |
| Franklin | 1,678 | 16.8 | 2,076 | 20.4 | 398 | 23.7 |
| Lyon | 3,237 | 17.6 | 3,784 | 18.8 | 547 | 16.9 |
| Sumner | 1,649 | 15.7 | 2,143 | 20.0 | 494 | 30.0 |
| Non-Metro | 103,538 | 16.6 | 126,648 | 19.8 | 23,110 | 22.3 |
| Kansas | 243,640 | 18.9 | 344,870 | 23.4 | 101,230 | 41.5 |

Source: U.S. Bureau of Economic Analysis, Table CA25, *Full- and Part-Time Employees by Industry*.

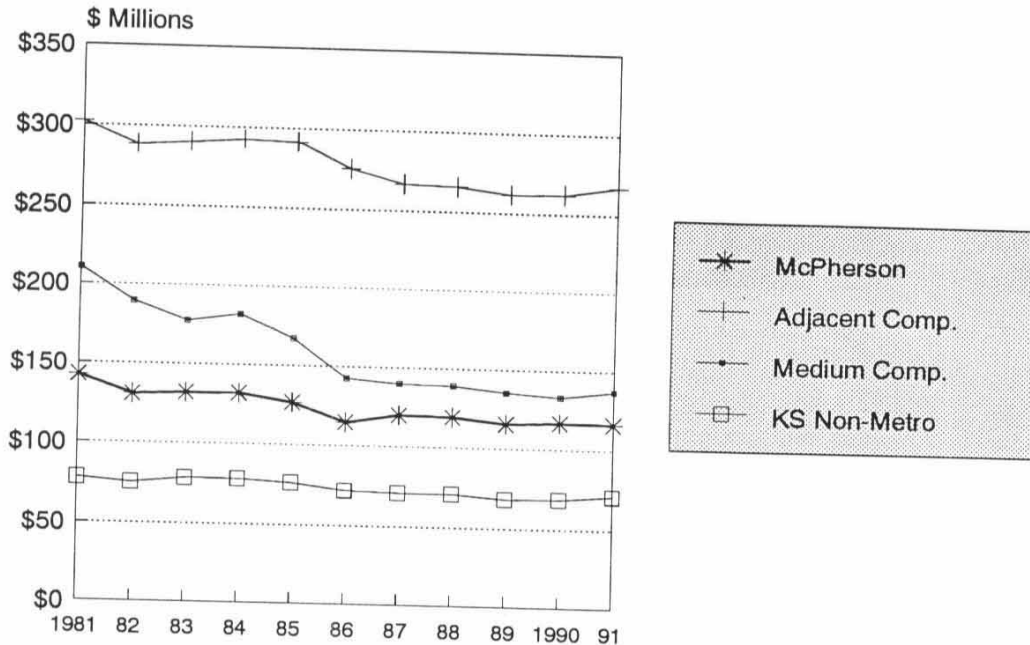
- The government sector of the economy in McPherson County is proportionately smaller than those of virtually all comparison groups and the counties that comprise them. Among the counties in the various comparison groups, only Johnson has a proportionately smaller government sector than McPherson County (9.9 and 10.8 percent, respectively). While the government sector accounts for roughly one of every ten jobs in McPherson County, comparable non-metro and statewide ratios are roughly one of every five.
- During the decade employment growth in McPherson County's government sector lagged the growth rates of the comparison groups. However, McPherson's growth rate was comparable to selected counties within the groups (e.g., Sedgwick, Saline, Harvey and Lyon) and exceeded the growth rates of non-metro Kansas and the state as a whole.

Table 6.13
Government Employment, Net Change and Percent Change
McPherson, Comparative Counties and Kansas, 1980, 1990

| <u>County</u> | <u>1980</u> | <u>Percent of 1980 Total</u> | <u>1990</u> | <u>Percent of 1990 Total</u> | <u>Net Change</u> | <u>Percent Change</u> |
|----------------|-------------|----------------------------------|-------------|----------------------------------|-----------------------|---------------------------|
| McPherson | 1,543 | 9.5% | 1,882 | 10.8% | 339 | 22.0% |
| Metro Comp. | 41,724 | 11.2 | 56,647 | 11.0 | 14,923 | 35.8 |
| Johnson | 14,525 | 10.3 | 23,944 | 9.9 | 9,419 | 64.8 |
| Sedgwick | 27,199 | 11.7 | 32,703 | 12.1 | 5,504 | 20.2 |
| Adjacent Comp. | 9,040 | 11.2 | 11,349 | 13.6 | 2,309 | 25.5 |
| Reno | 4,131 | 11.8 | 5,328 | 15.2 | 1,197 | 29.0 |
| Saline | 3,306 | 11.3 | 4,071 | 12.6 | 765 | 23.1 |
| Harvey | 1,603 | 9.6 | 1,950 | 11.9 | 347 | 21.6 |
| Medium Comp. | 10,991 | 14.9 | 13,587 | 23.6 | 2,596 | 23.6 |
| Barton | 1,954 | 9.9 | 2,597 | 14.2 | 643 | 32.9 |
| Ellis | 2,433 | 16.0 | 3,106 | 18.5 | 673 | 27.7 |
| Franklin | 1,492 | 14.9 | 1,714 | 16.9 | 222 | 14.9 |
| Lyon | 3,412 | 18.6 | 4,146 | 20.6 | 734 | 21.5 |
| Sumner | 1,700 | 16.2 | 2,024 | 18.9 | 324 | 19.1 |
| Non-Metro | 117,343 | 18.8 | 134,853 | 21.0 | 17,510 | 14.9 |
| Kansas | 227,929 | 17.7 | 267,723 | 18.2 | 39,794 | 17.5 |

Source: U.S. Bureau of Economic Analysis, Table CA25, *Full- and Part-Time Employees by Industry*.

Figure 6.5
Taxable Retail Sales Levels, 1981-1991
 McPherson County, Avg. of Comparatives
 In Real \$1982-1984



Source: Wichita State University, Center for Economic Development and Business Research.

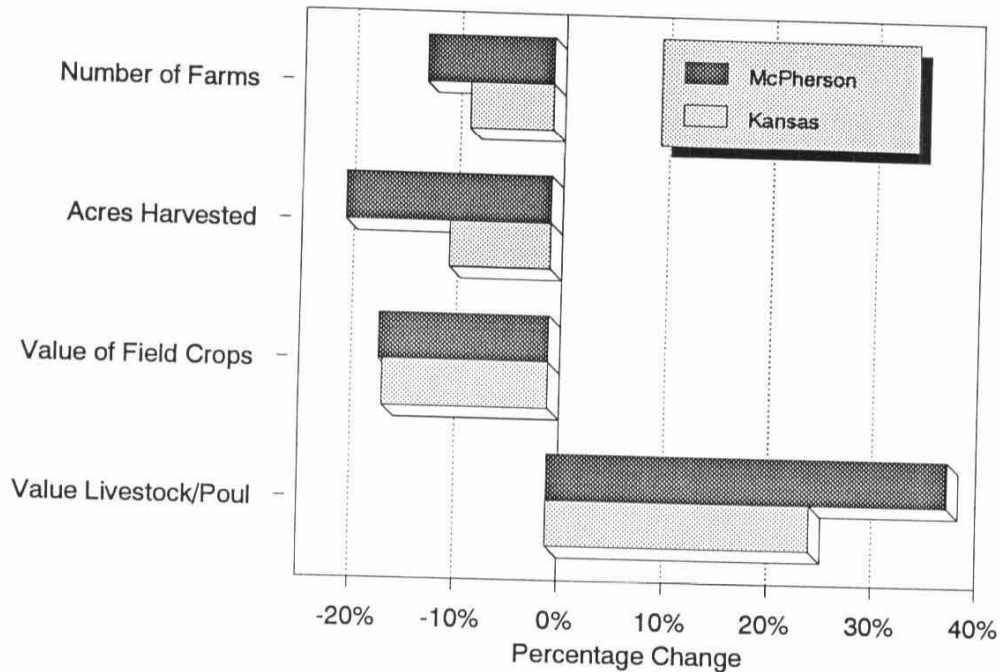
- Taxable retail sales (in real dollars) fell from in excess of \$140 million at the beginning of the decade to less than \$120 million at its end.
- During the decade, taxable retail sales (in real dollars) decreased 18 percent, much less than that of medium comparatives (-35%). Adjacent comparatives declined by 12 percent, while the non-metropolitan average decrease was 9 percent. By contrast, metropolitan comparative counties increased real taxable retail sales levels by 14 percent.
- For McPherson and for most of the comparative counties, the decline in retail sales levels was most severe in the early part of the 1980s. Since 1986, McPherson County has maintained more or less stable levels of retail sales.

Table 6.14
Real Taxable Retail Sales Levels (\$1982-84)
McPherson, Comparative Counties and Kansas, 1981-1991

| | <u>1981</u> | <u>1982</u> | <u>1983</u> | <u>1984</u> | <u>1985</u> | <u>1986</u> |
|----------------|-------------|-------------|-------------|-------------|-------------|---------------|
| McPherson | \$ 142.4 | \$ 130.6 | \$ 131.8 | \$ 131.9 | \$ 126.6 | \$114.8 |
| Metro. Comp. | 4,649.4 | 4,589.4 | 4,969.8 | 4,969.8 | 5,093.6 | 5,152.7 |
| Johnson | 1,800.4 | 1,864.4 | 2,021.0 | 2,112.3 | 2,250.3 | 2,396.2 |
| Sedgwick | 2,849.2 | 2,725.0 | 2,797.9 | 2,857.5 | 2,843.3 | 2,756.5 |
| Adjacent Comp. | 907.0 | 865.0 | 870.6 | 877.3 | 874.1 | 825.3 |
| Reno | 403.1 | 381.7 | 380.6 | 387.4 | 401.5 | 366.1 |
| Saline | 376.1 | 356.9 | 360.1 | 356.9 | 342.5 | 337.8 |
| Harvey | 127.8 | 126.4 | 129.9 | 133.0 | 130.1 | 121.4 |
| Medium Comp. | 1,053.1 | 946.2 | 886.5 | 909.2 | 835.5 | 712.8 |
| Barton | 469.9 | 362.9 | 310.9 | 320.0 | 285.0 | 209.8 |
| Ellis | 213.6 | 222.5 | 231.5 | 229.3 | 210.8 | 170.8 |
| Franklin | 87.3 | 83.6 | 84.0 | 82.3 | 83.9 | 82.7 |
| Lyon | 200.1 | 199.5 | 203.5 | 203.5 | 185.6 | 180.4 |
| Sumner | 82.2 | 77.7 | 74.6 | 74.0 | 70.2 | 69.1 |
| Non-Metro | 7,498 | 7,231 | 7,524 | 7,520 | 7,332 | 6,927 |
| Kansas | 14,822 | 14,396 | 15,019 | 15,216 | 15,150 | 14,745 |
| | <u>1987</u> | <u>1988</u> | <u>1989</u> | <u>1990</u> | <u>1991</u> | <u>% Chg.</u> |
| McPherson | \$ 120.0 | \$ 119.4 | \$ 115.8 | \$ 117.0 | 116.5 | -18.2% |
| Metro. Comp. | 5,223.8 | 5,301.0 | 5,341.7 | 5,180.6 | 5,303.0 | 14.1 |
| Johnson | 2,494.0 | 2,561.6 | 2,582.3 | 2,489.0 | 2,556.7 | 42.0 |
| Sedgwick | 2,729.8 | 2,739.4 | 2,759.4 | 2,691.6 | 2,746.3 | -3.7 |
| Adjacent Comp. | 799.8 | 797.1 | 785.1 | 786.6 | 800.9 | -11.7 |
| Reno | 343.4 | 340.3 | 336.4 | 336.1 | 339.1 | -15.9 |
| Saline | 340.9 | 341.9 | 337.8 | 335.3 | 346.4 | -7.9 |
| Harvey | 115.5 | 114.9 | 110.9 | 115.2 | 115.4 | -9.7 |
| Medium Comp. | 699.0 | 695.4 | 677.8 | 665.8 | 685.6 | -34.9 |
| Barton | 197.3 | 196.6 | 188.8 | 188.2 | 194.4 | -58.6 |
| Ellis | 174.7 | 178.1 | 175.2 | 171.8 | 181.1 | -15.2 |
| Franklin | 84.7 | 84.5 | 83.0 | 80.6 | 83.7 | -4.2 |
| Lyon | 176.3 | 171.7 | 167.9 | 167.2 | 167.0 | -16.5 |
| Sumner | 66.0 | 64.5 | 62.9 | 58.0 | 59.4 | -27.7 |
| Non-Metro | 6,837 | 6,838 | 6,581 | 6,623 | 6,854 | -8.6 |
| Kansas | 14,733 | 14,837 | 14,545 | 14,332 | 14,675 | -1.0 |

Source: Wichita State University, Center for Economic Development and Business Research, *Business and Economic Report*, Vol. XXII, No. 2, Summer 1992.

Figure 6.6
Changes in Farm Production
 McPherson County and Kansas, 1980-1990



Source: Institute for Public Policy and Business Research, *Kansas Statistical Abstract*, various issues.

- The total value of farm output in McPherson County maintained a level of about \$37 million annually, despite a 15 percent decline in the value of field crops from the beginning to end of the decade. Compensating for the \$7 million per year reduction in production of field crops was a corresponding increase in the value of livestock and poultry.
- The number of farms in McPherson County decreased by 190 farms from 1980 to 1990, 1½ times the rate farms were taken out of production across the state (-12% vs. -8%). Of the comparatives, only Johnson County lost farms at a more rapid rate. (-16%).
- While the number of farms declined in McPherson, the number of acres harvested did not, indicating a trend toward fewer, bigger farms through consolidation. Overall, the number of acres harvested in Kansas declined 10 percent over the 1980s.

Table 6.15
 Number of Farms and Acres Harvested
 McPherson, Comparative Counties and Kansas, 1980-81 and 1989-90

| | Number of Farms | | | Acres Harvested (000s) | | |
|----------------|-----------------|---------------|-------------------|------------------------|---------------|-------------------|
| | 1980- 1981 | 1989- 1990 | Percent Change | 1980- 1981 | 1989- 1990 | Percent Change |
| McPherson | 1,560 | 1,370 | -12.2% | 362 | 361 | -0.3% |
| Metro. Comp. | 2,378 | 2,250 | -5.4 | 460 | 490 | 6.5 |
| Johnson | 785 | 660 | -15.9 | 80 | 78 | -2.5 |
| Sedgwick | 1,593 | 1,590 | -0.2 | 380 | 412 | 8.4 |
| Adjacent Comp. | 3,308 | 3,180 | -3.9 | 906 | 802 | -11.5 |
| Reno | 1,625 | 1,560 | -4.0 | 447 | 411 | -8.1 |
| Saline | 775 | 750 | -3.2 | 214 | 160 | -25.2 |
| Harvey | 908 | 870 | -4.2 | 245 | 231 | -5.9 |
| Medium Comp. | 5,064 | 4,860 | -4.0 | 1,405 | 1,241 | -11.7 |
| Barton | 1,053 | 940 | -10.7 | 330 | 267 | -19.1 |
| Ellis | 800 | 800 | 0.0 | 173 | 123 | -28.9 |
| Franklin | 1,120 | 980 | -12.5 | 166 | 162 | -2.4 |
| Lyon | 948 | 870 | -8.2 | 190 | 166 | -12.6 |
| Sumner | 1,143 | 1,270 | -10.1 | 546 | 523 | -4.2 |
| Kansas | 75,500 | 69,000 | -8.0 | 21,931 | 19,823 | -9.7 |

Note: Values shown as two year averages due to substantial inter-year variability in farm production (i.e., acres harvested). Number of farms varies much less from year to year but, to be consistent, is presented in the same format as acres harvested.

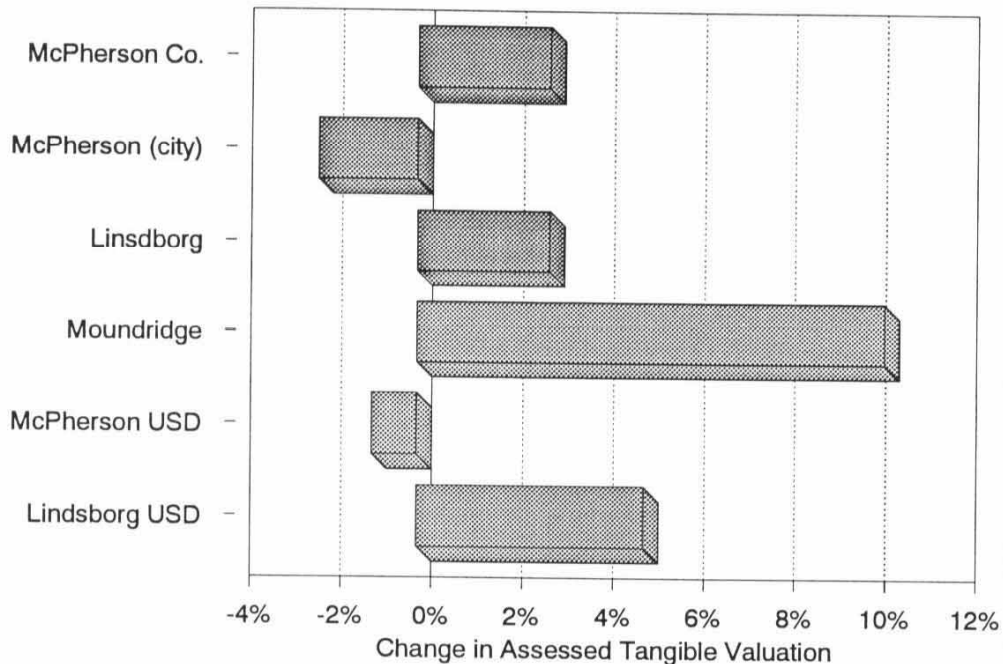
Source: Institute for Public Policy and Business Research, *Kansas Statistical Abstract*, various issues.

Table 6.16
Value of Field Crops, Livestock and Poultry
McPherson, Comparative Counties and Kansas, 1980-1981 and 1989-1990

| | Field Crops | | | Livestock & Poultry | | |
|----------------|---------------|---------------|-------------------|---------------------|---------------|-------------------|
| | 1980- 1981 | 1989- 1990 | Percent Change | 1980- 1981 | 1989- 1990 | Percent Change |
| McPherson | \$ 47.3 | \$ 40.4 | -14.6% | \$ 26.3 | \$ 35.3 | 34.2% |
| Metro Comp. | 57.6 | 57.6 | 0.0 | 42.9 | 45.4 | 5.8 |
| Johnson | 12.1 | 11.5 | -5.0 | 10.0 | 10.0 | 0.0 |
| Sedgwick | 45.5 | 46.1 | 1.3 | 32.9 | 35.4 | 7.6 |
| Adjacent Comp. | 108.9 | 87.8 | -19.4 | 73.7 | 85.4 | 15.9 |
| Reno | 54.8 | 44.1 | -19.5 | 32.8 | 45.6 | 39.0 |
| Saline | 25.0 | 18.0 | -28.0 | 19.5 | 21.1 | 8.2 |
| Harvey | 29.1 | 25.7 | -11.7 | 21.4 | 18.7 | -12.6 |
| Medium Comp. | 170.5 | 135.0 | -20.8 | 121.6 | 151.5 | 24.6 |
| Barton | 41.1 | 34.4 | -16.3 | 32.9 | 45.5 | 38.3 |
| Ellis | 18.8 | 12.1 | -35.6 | 19.3 | 24.1 | 24.9 |
| Franklin | 22.4 | 19.4 | 0.9 | 18.9 | 18.3 | -3.2 |
| Lyon | 22.3 | 19.4 | -13.0 | 33.6 | 36.8 | 9.5 |
| Sumner | 65.9 | 49.7 | -24.6 | 16.9 | 26.8 | 58.6 |
| Kansas | 2,996.0 | 2,519.0 | -15.9 | 2,229.9 | 2,790.2 | 25.1 |

Note: Values presented as two year averages due to high degree of variability in year-to-year production.
Source: Institute for Public Policy and Business Research, *Kansas Statistical Abstract*, various issues.

Figure 6.7
 Change in Assessment Base, 1990-1992
 McPherson Co. & Selected Components



Source: League of Kansas Municipalities, *Kansas Government Journal*, January issues, 1988-1992.

- Assessed tangible valuation rose from \$152 million in McPherson County in 1990 to \$156 million in 1992, an increase of 3 percent. Comparative counties demonstrated a mixed pattern over this period.
- In percentage terms, assessment level growth among comparative cities was led by Moundridge, whose assessment levels grew by over 10 percent. For school districts, Canton-Galva led the group, with a 7½ percent increase.
- Relative to their counterparts, the county of McPherson's debt load (measured by percentage of assessed tangible valuation) was moderate in 1992, while the City of McPherson's was high.

Table 6.17
Levels of Assessed Tangible Valuation Levels & Bonded Indebtedness
McPherson and Comparative Counties, Cities and School Districts, 1990 and 1992

| Counties | Assessed Tangible Valuation | | | Bonded Indebtedness | |
|-------------------------|-----------------------------|----------|----------------|-----------------------|----------------------------------|
| | 1990 | 1992 | Percent Change | 1992 Total (millions) | % of Assessed Tangible Valuation |
| McPherson | \$ 151.7 | \$ 156.1 | 2.9% | \$ 5.9 | 3.8% |
| Johnson | 2,430.5 | 2,724.7 | 12.1 | 138.1 | 5.1 |
| Sedgwick | 1,867.5 | 1,962.2 | 5.1 | 67.2 | 3.4 |
| Reno | 301.9 | 292.5 | -3.1 | 4.0 | 1.4 |
| Saline | 217.7 | 223.4 | 2.6 | 0 | 0.0 |
| Harvey | 126.3 | 123.6 | -2.2 | 4.4 | 3.5 |
| Barton | 161.9 | 150.9 | -6.8 | 0 | 0.0 |
| Ellis | 141.0 | 149.6 | 6.1 | 0 | 0.0 |
| Franklin | 77.7 | 81.5 | 5.0 | 6.9 | 8.5 |
| Lyon | 125.6 | 125.8 | 0.2 | 2.8 | 2.2 |
| Sumner | 109.9 | 110.0 | 0.1 | 2.9 | 2.6 |
| <u>Cities</u> | | | | | |
| McPherson | 44.3 | 43.4 | -2.2 | 21.0 | 48.5 |
| Lindsborg | 7.7 | 7.9 | 2.9 | 1.3 | 16.0 |
| Moundridge | 4.5 | 5.0 | 10.3 | 0.1 | 2.9 |
| Inman | 2.9 | 2.9 | 2.6 | 0.3 | 11.3 |
| Canton | 2.0 | 1.9 | -6.9 | 0.03 | 1.6 |
| Galva | 1.8 | 1.9 | 7.2 | 0 | 0.0 |
| Marquette | 1.1 | 1.0 | -4.0 | 0.03 | 2.5 |
| Windom | 0.3 | 0.3 | -2.3 | 0.06 | 18.5 |
| Newton | 48.4 | 50.1 | 3.5 | 6.9 | 13.9 |
| Great Bend | 63.5 | 54.1 | -14.8 | 10.0 | 18.4 |
| Salina | 156.4 | 160.4 | 2.6 | 21.6 | 13.4 |
| Hutchinson | 145.3 | 137.5 | -5.3 | 27.0 | 19.6 |
| Hesston | 14.7 | 14.5 | -1.8 | 1.8 | 12.3 |
| Buhler | 3.8 | 3.8 | -2.4 | 0.1 | 3.3 |
| <u>School Districts</u> | | | | | |
| McPherson | 78.9 | 78.8 | -0.1 | 3.4 | 4.3 |
| Lindsborg | 26.7 | 28.0 | 5.0 | 1.5 | 5.4 |
| Canton-Galva | 13.7 | 14.7 | 7.5 | 0 | 0.0 |
| Moundridge | 16.7 | 17.4 | 3.9 | 0.4 | 2.1 |
| Inman | 13.9 | 13.9 | -0.1 | 1.4 | 9.9 |
| Newton | 64.7 | 66.1 | 2.2 | 0.6 | 0.9 |
| Buhler | 55.5 | 54.6 | -1.5 | 2.3 | 4.2 |
| Hesston | 21.4 | 20.3 | -5.4 | 2.0 | 9.9 |
| Southeast-Saline | 29.8 | 30.5 | 2.5 | 1.7 | 5.6 |
| Fairfield | 23.4 | 24.5 | 4.3 | 0 | 0.0 |
| Sedgwick | 6.9 | 6.8 | -1.9 | 0 | 0.0 |

Source: League of Kansas Municipalities, *Kansas Government Journal*, January issues, 1988-1992.

- Relative to their counterparts the increases in tax levies has been moderate to slightly high in McPherson County, and low in McPherson's cities.

Table 6.18
City, County & School District Tax Levies in Mills
McPherson and Comparatives, 1990 and 1992

| <u>Counties</u> | <u>1990 Levy</u> | <u>1992 Levy</u> | <u>Percent Change</u> |
|-------------------------|------------------|------------------|-----------------------|
| McPherson | 27.603 | 32.049 | 16.1% |
| Johnson | 14.946 | 16.328 | 9.2 |
| Sedgwick | 23.111 | 25.330 | 9.6 |
| Reno | 20.316 | 22.166 | 9.1 |
| Saline | 19.074 | 20.464 | 7.3 |
| Harvey | 30.550 | 31.230 | 2.2 |
| Barton | 15.685 | 19.727 | 25.8 |
| Ellis | 24.182 | 25.917 | 7.2 |
| Franklin | 36.890 | 44.399 | 20.4 |
| Lyon | 42.025 | 44.466 | 5.8 |
| Sumner | 33.606 | 36.972 | 10.0 |
| <u>Cities</u> | | | |
| McPherson | 44.817 | 46.844 | 4.5 |
| Lindsborg | 34.767 | 35.905 | 3.3 |
| Moundridge | 26.620 | 26.312 | -1.2 |
| Inman | 32.651 | 42.380 | 29.8 |
| Canton | 31.117 | 31.081 | -0.1 |
| Galva | 10.651 | 9.534 | -10.5 |
| Marquette | 28.586 | 8.696 | -69.6 |
| Windom | 49.603 | 36.131 | -27.2 |
| Newton | 49.858 | 48.914 | -1.9 |
| Great Bend | 40.071 | 49.205 | 22.8 |
| Salina | 30.015 | 29.828 | -0.6 |
| Hutchinson | 29.528 | 40.838 | 38.3 |
| Hesston | 29.120 | 29.401 | 1.0 |
| Buhler | 47.544 | 46.921 | -1.3 |
| <u>School Districts</u> | | | |
| McPherson | 69.32 | 86.42 | 24.7 |
| Lindsborg | 75.39 | 79.13 | 5.0 |
| Canton-Galva | 45.48 | 44.99 | -1.1 |
| Moundridge | 72.00 | 75.41 | 4.7 |
| Inman | 53.42 | 69.04 | 29.2 |
| Newton | 80.37 | 87.92 | 9.4 |
| Buhler | 63.06 | 78.96 | 25.2 |
| Hesston | 65.49 | 85.77 | 31.0 |
| Southeast-Saline | 55.65 | 60.81 | 9.3 |
| Fairfield | 57.19 | 54.72 | -4.3 |
| Sedgwick | 53.42 | 58.00 | 8.6 |

Source: League of Kansas Municipalities, *Kansas Government Journal*, January issues, 1988-1992.

Section VII: Financial Capital

Businesses must have adequate access to capital in order to take advantage of special opportunities, such as developing new products, purchasing/refurbishing equipment, or undergoing expansion. Local financial institutions play a vital role in assisting business start-ups, expanding existing businesses, retaining businesses, or working with relocated firms.

It is critical for a community to have a sound financial base for business development. In particular, the profitability of local banks is especially important because they make the vast majority of business loans.

Because new and/or small businesses may have limited sources of funds, due to their riskier nature, the development of other sources of investment capital has been encouraged by the State of Kansas through tax credits and other assistance. As a result, Venture Capital Pools, Seed Capital Pools, and Certified Development Companies have been created statewide to serve the needs of these businesses.

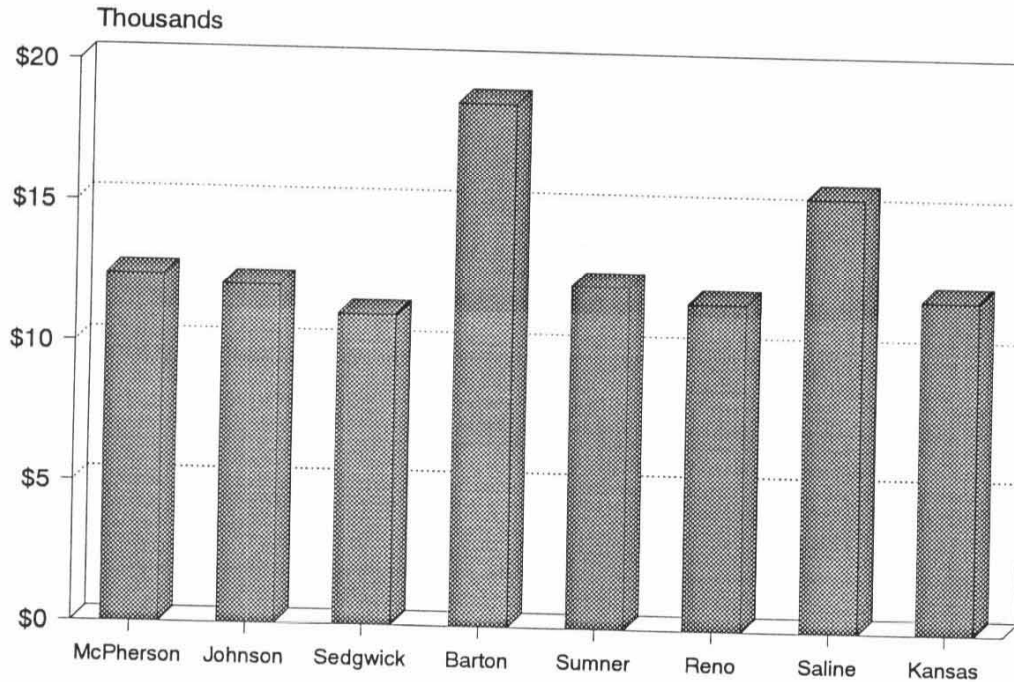
The types of data presented in this section includes:

- the *total number of banks* and *total assets* of those banks, which show the level of banking resources in the community;
- The *average return on assets* is a measure of bank profitability, demonstrating the relative success of bank management in making profitable investments;
- the location of *venture capital pools*, *seed capital pools*, and *certified development companies* represent opportunities for local business to tap into alternative sources of financing;
- The location of *venture/seed capital investments* shows where pools have committed their funds, indicating how much of this type of activity has occurred in Barton County.

FINANCIAL CAPITAL: KEY FINDINGS

- Ten banks are headquartered within McPherson County, a high number in relation to the comparative counties.
- McPherson County banks tend to be smaller than those in comparative counties. Total assets in these banks totalled \$339 million in 1990, well below the totals in banks headquartered in Barton, Saline and Reno Counties.
- Only Barton and Saline County banks had higher levels of assets per capita than McPherson County headquartered banks. This suggests a greater presence of externally headquartered banks in the other counties, particularly Johnson and Sedgwick.
- McPherson County banks demonstrated very good profitability in 1990, with Return on Assets exceeded only by Saline County banks.
- Prior to 1990, McPherson County banks showed return on assets ratios below the state average in three of the four previous years.
- Certified Venture/Seed Capital Companies are located in four Kansas counties: Douglas, Johnson, Sedgwick, and Shawnee. However, their investments -- through calendar year 1990 -- were located in fifteen of the state's 105 counties, including McPherson.
- There are fifteen Certified Development Companies in Kansas which serve fourteen regions. McPherson County is served by the Small Business Development Association in McPherson County.

Figure 7.1
Bank Assets Per Capita, 1990
 McPherson, Selected Comparatives & Kansas



Note: Data is for banks headquartered within the county and excludes branches headquartered in other counties.
 Source: Sheshunoff & Company, *Banks of Kansas, 1990* (Austin, Texas, 1991).

- Ten banks are headquartered within McPherson County, a relatively high in relation to the comparative counties.
- McPherson County banks tend to be smaller than those in comparative counties. Total assets in these banks totalled \$339 million in 1990, well below the totals in banks headquartered in Barton, Saline and Reno Counties.
- Only Barton and Saline County banks had higher levels of assets per capita than McPherson County headquartered banks. This suggests a greater presence of externally headquartered banks in the other counties, particularly Johnson and Sedgwick.

- McPherson County banks demonstrated very good profitability in 1990, with Return on Assets exceeded only by Saline County banks.
- Prior to 1990, McPherson County banks showed return on assets ratios below the state average in three of the four previous years.

Table 7.1
Total Number of Banks, Total Assets, and Average Return on Assets
McPherson, Comparison Counties, and Kansas Totals (1986-1990)

| | <u>Number of</u> <u>Bank</u> <u>Headquarters</u> | <u>Bank Assets</u> | | <u>Average Return on Assets</u> | | | | |
|-----------|--|-------------------------------|-------------------|---------------------------------|-------------|-------------|-------------|-------------|
| | | <u>Total</u> (\$ Millions) | <u>Per Capita</u> | <u>1986</u> | <u>1987</u> | <u>1988</u> | <u>1989</u> | <u>1990</u> |
| McPherson | 10 | 339,187 | 12,439 | .04 | .63 | .38 | .79 | .98 |
| Johnson | 33 | 4,302,341 | 12,117 | .92 | .80 | .90 | .53 | .55 |
| Sedgwick | 23 | 4,481,667 | 11,103 | .48 | .97 | 1.08 | .66 | .70 |
| Barton | 7 | 548,660 | 18,673 | -.13 | .97 | .89 | .81 | .94 |
| Ellis | 4 | 248,867 | 9,570 | -.72 | .28 | .70 | .70 | .82 |
| Franklin | 6 | 207,679 | 9,443 | .70 | .67 | .80 | .77 | .83 |
| Lyon | 9 | 295,398 | 8,505 | .12 | .58 | .80 | .77 | .91 |
| Sumner | 11 | 316,732 | 12,257 | .20 | .68 | .85 | .92 | .93 |
| Reno | 12 | 730,722 | 11,712 | -.14 | .39 | .66 | .59 | .66 |
| Saline | 6 | 763,739 | 15,491 | .93 | 1.81 | 1.25 | .97 | 1.08 |
| Harvey | 8 | 290,215 | 9,353 | .55 | -.22 | .73 | .91 | .94 |
| Kansas | 555 | 29,600,000 | 11,947 | .57 | .60 | .82 | .95 | .80 |

Note: Data is for banks headquartered within the county and excludes branches headquartered in other counties.
Source: Sheshunoff & Company, *Banks of Kansas, 1990* (Austin, Texas, 1991).

- Certified Venture/Seed Capital Companies are located in four Kansas counties: Douglas, Johnson, Sedgwick, and Shawnee. However, their investments -- through calendar year 1990 -- were located in fifteen of the state's 105 counties.
- There are fifteen Certified Development Companies in Kansas which serve fourteen regions. McPherson County is served by the Small Business Development Association in McPherson County.

Table 7.3
Location of Venture Capital, Seed Capital, Certified Companies,
and Venture/Seed Capital Investments

| | Location of: | | | Venture/Seed Cap. Investments ⁴ |
|-------------|-------------------------------------|------------------------------------|-------------------|---|
| | Venture Capital Co. ¹ | Seed Capital Pools ² | CDCs ³ | |
| Barton | | | | • |
| Cherokee | | | | • |
| Crawford | | | • | • |
| Dickinson | | | | • |
| Douglas | • | | • | • |
| Ford | | | • | |
| Graham | | | • | |
| Jefferson | | | | • |
| Johnson | • | | • | • |
| Leavenworth | | | • | |
| Lyon | | | • | |
| McPherson | | | • | • |
| Mitchell | | | • | • |
| Neosho | | | | • |
| Reno | | | | • |
| Rice | | | | • |
| Riley | | | • | |
| Sedgwick | • | • | • | • |
| Shawnee | • | | • | • |
| Wyandotte | | | • | • |

¹Certified Kansas Venture Capital Companies.

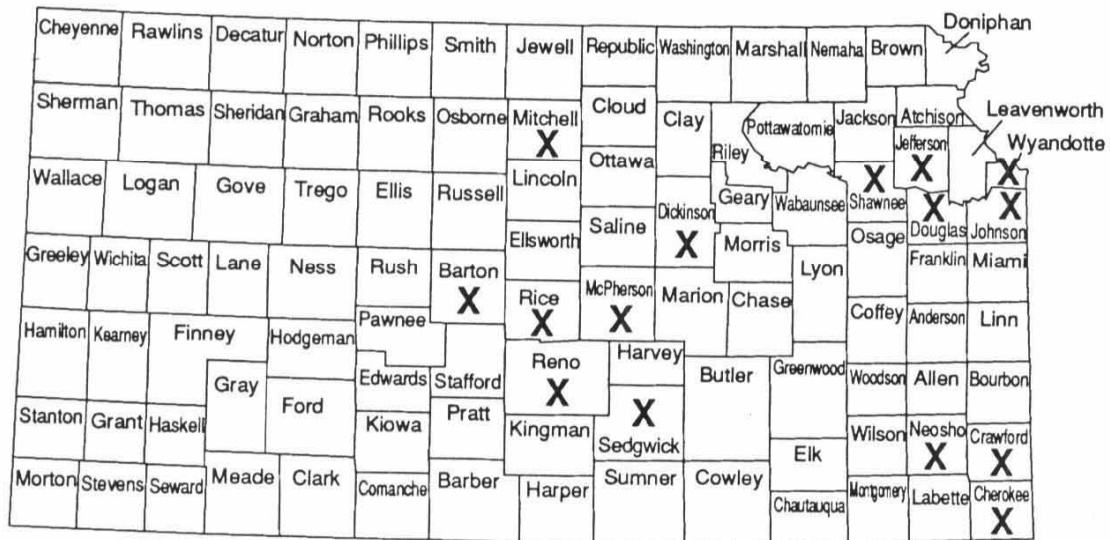
² Certified Kansas Local Seed Capital Pools.

³ Kansas Certified Development Companies.

⁴Includes those venture capital investments made through calendar year 1990.

Source: Steve Kelly, Division of Existing Industry Development, Kansas Department of Commerce, 1992.

Map 7.1
Location of Venture/Seed Capital Investments



Source: Kansas Department of Commerce, 1992.

Section VIII: Innovation & Technology

To compete in today's rapidly changing global economy, firms must keep pace with innovations in technology. Not keeping pace with the current technology can cause a once thriving firm to become inefficient and slow to respond to customer needs. The ability to keep current with changes in technology, and further, to be innovative and cause changes in technology, will enable firms to become more efficient, cut costs, and gain competitive advantages. Not only will firms that are innovative in the technology arena gain the advantages listed above, technological innovation will also lead to the improvement of current products, the creation of new products, and hence, the spawning of new industries.

Obviously, small and medium-sized firms often do not have the resources necessary to pursue such a path of technological innovation. Because of this, government entities, public/private cooperatives and educational institutions are offering their assistance to help these firms gain the competitive edge that comes through technological innovation.

The following section outlines the current status of technology and innovation in the state of Kansas. Measures are given that show the current state of the technological environment in Kansas and how it compares to the same environments in surrounding states. This is followed by a description of efforts that are being undertaken in Kansas to improve the state's technological resources.

The following measures are used to evaluate the technological resources of Kansas and surrounding states:

- *The number of Ph.D. scientists and engineers in the workforce* indicates the potential pool of innovators in the state. The larger this number the greater the opportunities for innovation. Even though not all scientists and engineers are innovators and vice-versa, the greater the technical capacity of the labor force, the greater the opportunities for innovative advances in technology.
- *The number of science and engineering graduate students* in a state gives an indication as to the level of science training in the state. Although this measure does not 'capture' how many of these students remain in the state after graduation, "the history of industrial innovation indicates that new businesses are spawned, more often than not, in the same place entrepreneurs received their degrees." (Corporation for Enterprise Development)

- *The number of patents issued* is an indication of the level of innovation in a state. However, caution should be used with this number because patents are often issued at the site of an organization's headquarters, not necessarily at the location where the innovation was developed.
- *University research and development* provides a measure of the research and development spending at universities in a state (excluding private universities). Such research has often led to associated business development.
- There is also a correlation between *federal research and development* and private business development. However, in states where much of the federal research is classified, there is less likelihood of transfer to the private sector.

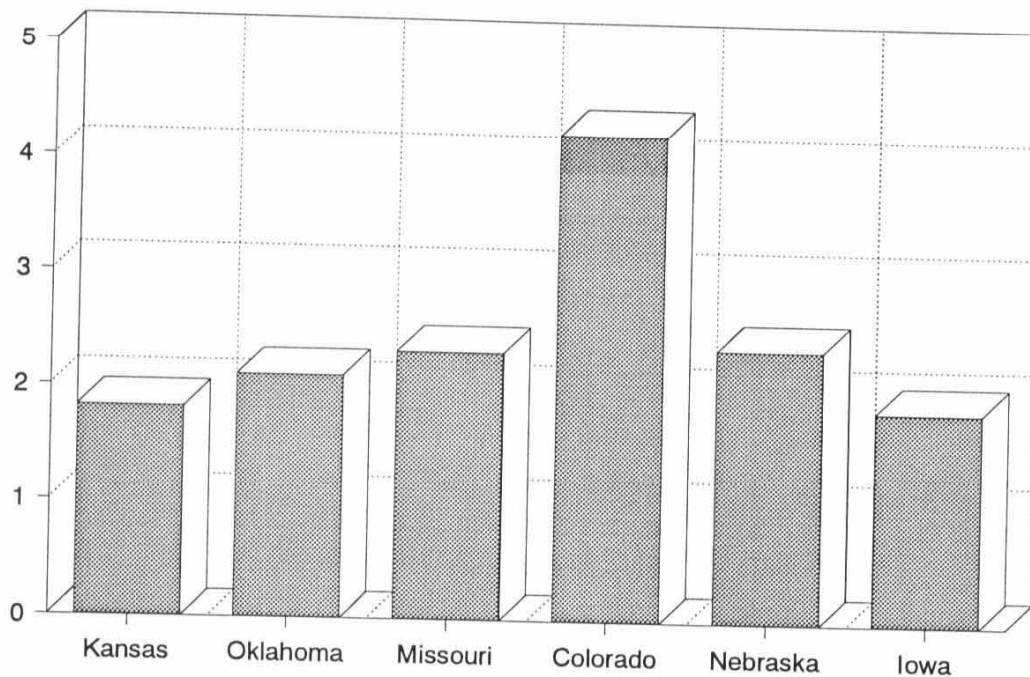
INNOVATION & TECHNOLOGY: KEY FINDINGS

- Kansas ranks last in the comparison group of surrounding states and 44th in the nation in terms of the number of Ph.D. scientists and engineers per 1,000 workers.
- Kansas ranks second in the group of surrounding states and tenth in the nation in the number of science and engineering graduate students per 1 million population.
- Kansas ranks fifth in the group of six comparison states and 31st in the nation in the number of patents issued per 1 million population.
- Kansas ranks fifth in the group of six comparison states and 35th in the nation in university research and development at \$46.28 per capita.
- Among the six comparison states, Kansas ranks 4th in federal research and development at \$51.99 per capita, while it ranks 42nd in the nation.
- When the five measures listed above are combined into an index of technology resources, Kansas ranks last in the group of six comparison states and 41th in the nation.
- In an effort to develop its technology resources, Kansas has been a leader in state policy designed to develop technology and innovation.

INNOVATION AND TECHNOLOGY: DATA ANALYSIS

Figure 8.1

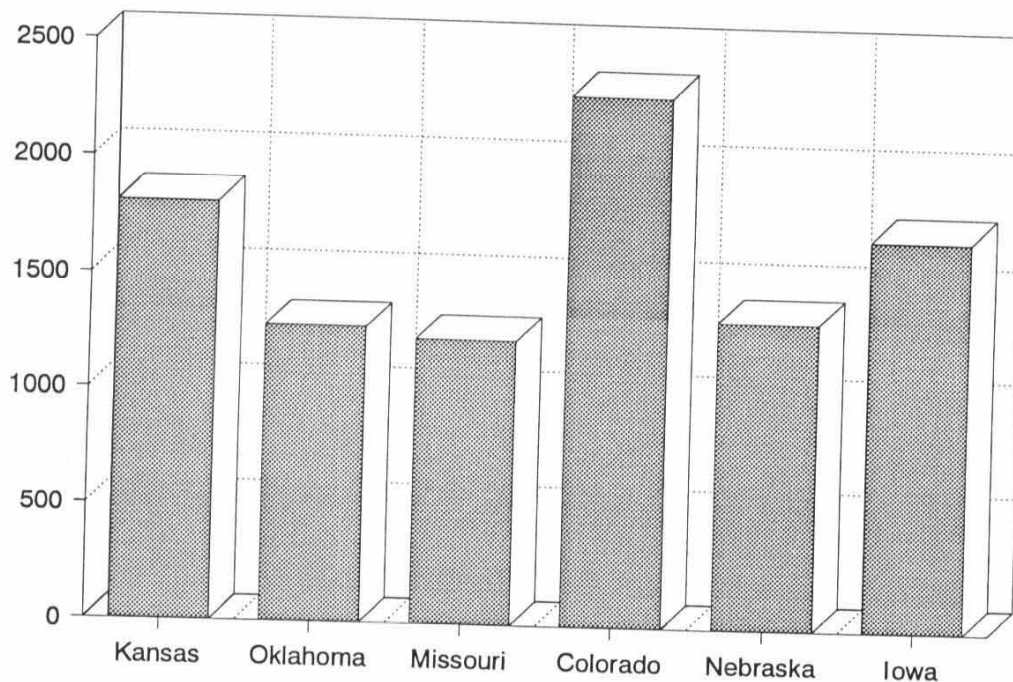
Scientists and Engineers Per 1,000 Workers, 1990



Source: Corporation for Enterprise Development, *The 1992 Development Report Card for the States*.

- While Kansas ranks last in the comparison group of surrounding states and 44th in the nation in the number of Ph.D. scientists and engineers per 1,000 workers, it ranks second in the group of surrounding states and tenth in the nation in the number of science and engineering graduate students per 1 million population.
- Conversely, Missouri ranks third in the comparison group of six states and 31st in the nation in the number of Ph.D. scientists and engineers per 1,000 workers. However, Missouri ranks last among the comparison group and 34th in the U.S. in the number of science and engineering graduate students per 1 million population. This could possibly be partially the result of Kansas graduates working in Missouri after graduation.

Figure 8.2
**Science and Engineering Students
 Per 1 Million Population, 1990**



Source: Corporation for Enterprise Development, *The 1992 Development Report Card for the States*.

Table 8.1
**Science and Engineering Professionals and Students
 Kansas and Surrounding States, 1989/1990**

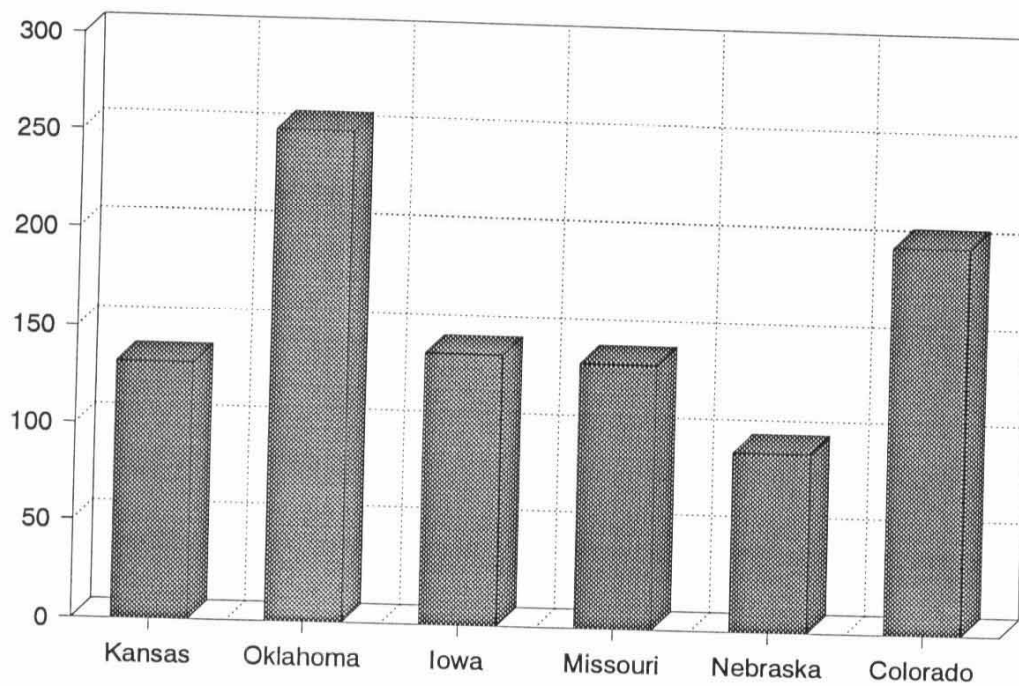
| | Ph.D. Scientists & Engineers Per 1,000 Workers ¹ | Rank | Science & Engineering Students Per 1 Million Population ² | Rank |
|----------|--|------|---|------|
| Kansas | 1.82* | 44 | 1,808* | 10 |
| Oklahoma | 4.24* | 6 | 2,300* | 2 |
| Iowa | 1.85* | 43 | 1,709* | 14 |
| Missouri | 2.33* | 31 | 1,233* | 34 |
| Nebraska | 2.38* | 29 | 1,399* | 26 |
| Colorado | 2.11* | 38 | 1,281* | 30 |

¹1989 data; ²1990 data. *Numbers are rounded.

Source: Corporation for Enterprise Development, *The 1992 Development Report Card for the States*.

Figure 8.3

Patents Issued Per 1 Million Population Kansas and Surrounding States, 1990



Source: Corporation for Enterprise Development, *The 1992 Development Report Card for the States*.

- Kansas ranks fifth in the group of comparison states and 31st in the nation in the number of patents issued per 1 million population.

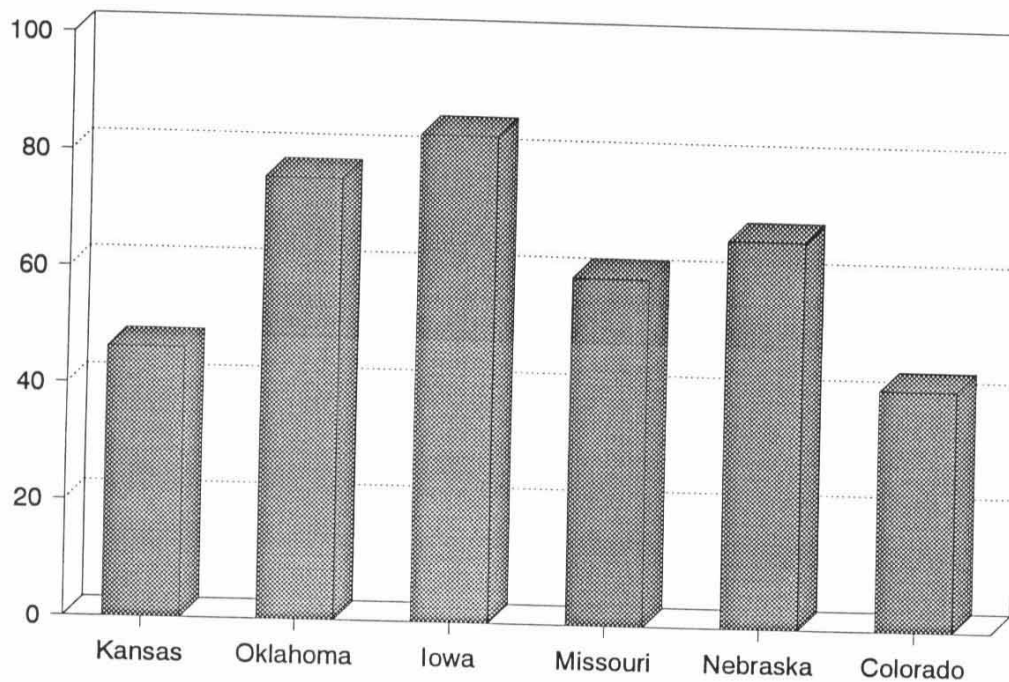
Table 8.2
Patents Issued Per 1 Million Population¹
Kansas and Surrounding States, 1990

| | <u>Number*</u> | <u>Rank</u> |
|----------|----------------|-------------|
| Kansas | 132 | 31 |
| Oklahoma | 252 | 11 |
| Iowa | 140 | 27 |
| Missouri | 137 | 28 |
| Nebraska | 93 | 38 |
| Colorado | 201 | 19 |

¹1990 data; *Numbers are rounded.

Source: Corporation for Enterprise Development, *The 1992 Development Report Card for the States*.

Figure 8.4
 University Research and Development
 Per Capita, 1990



Source: Corporation for Enterprise Development, *The 1992 Development Report Card for the States*.

- Kansas ranks fifth in the group of six comparison states and 35th in the nation in university research and development at \$46.28 per capita.

Table 8.3
 University Research and Development Per Capita¹
 Kansas and Surrounding States, 1990

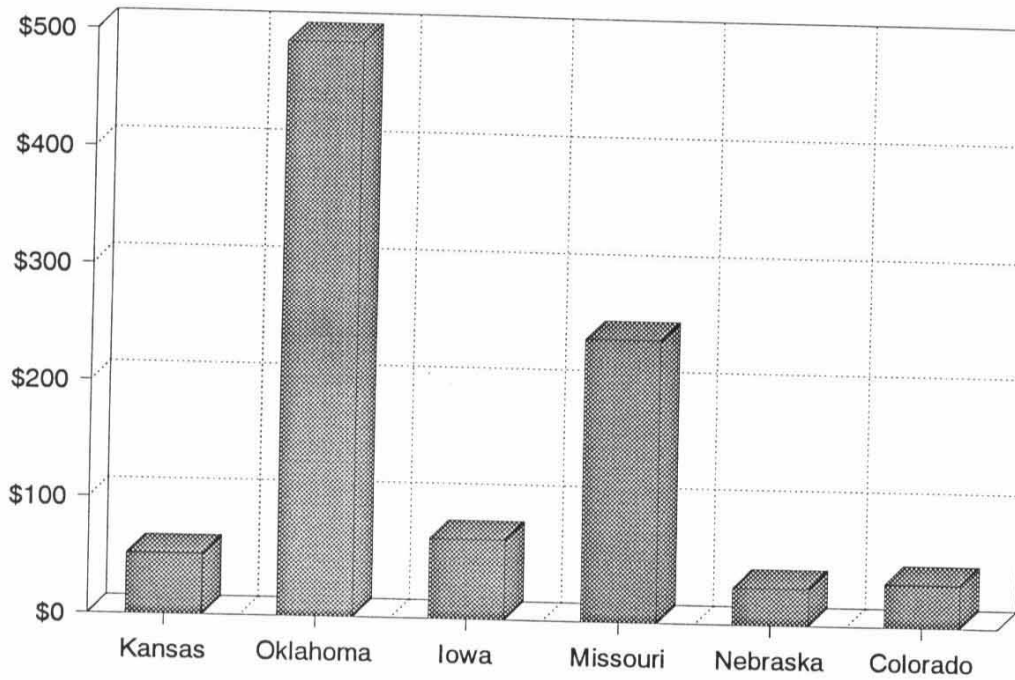
| | \$ | Rank |
|----------|-------|------|
| Kansas | 46.28 | 35 |
| Oklahoma | 75.87 | 11 |
| Iowa | 83.60 | 7 |
| Missouri | 54.94 | 29 |
| Nebraska | 66.76 | 18 |
| Colorado | 41.53 | 39 |

¹1990 data.

Source: Corporation for Enterprise Development, *The 1992 Development Report Card for the States*.

Figure 8.5

Federal Research & Development Spending Per Capita, 1990



Source: Corporation for Enterprise Development, *The 1992 Development Report Card for the States*.

- Among the six comparison states, Kansas ranks 4th last in federal research and development at \$51.99 per capita, while it ranks 42nd in the nation.

Table 8.4
Federal Research & Development Spending Per Capita¹
Kansas and Surrounding States, 1990

| | \$ | Rank |
|----------|--------|------|
| Kansas | 51.99 | 42 |
| Oklahoma | 491.18 | 4 |
| Iowa | 68.76 | 34 |
| Missouri | 242.70 | 12 |
| Nebraska | 32.45 | 47 |
| Colorado | 37.37 | 46 |

¹1990 data.

Source: Corporation for Enterprise Development, *The 1992 Development Report Card for the States*.

- When the five measures are combined into an index of technology resources, Kansas ranks last in the group of six comparison states and 41st in the nation with a grade of "C".

Table 8.5
Technology Resources Subindex of
Development Capacity Report Card

| | <u>Rank</u> | <u>Grade</u> |
|----------|-------------|--------------|
| Kansas | 41 | C |
| Colorado | 2 | A |
| Iowa | 28 | C |
| Missouri | 30 | C |
| Nebraska | 34 | C |
| Oklahoma | 38 | D |

Notes: Rank ranges from 1 to 50 (for the number of states), with 1 being the best and 50 the worst. The rank and grade are based on the data from the five categories in the previous tables.

Source: Corporation for Enterprise Development, *The 1992 Development Report Card For The States.*"

- In an effort to develop its technology resources, Kansas has been a leader in state policy designed to develop technology and innovation. Kansas tied for second (with Missouri and Oklahoma) among the six comparison group states in state policy for technology and innovation.

Table 8.6
State Policy Report Card, 1991
Technology & Innovation Subindex

| | <u>Rank</u> | <u>Grade</u> |
|----------|-------------|--------------|
| Kansas | 7 | A |
| Colorado | 18 | B |
| Iowa | 1 | A |
| Missouri | 7 | A |
| Nebraska | 37 | D |
| Oklahoma | 7 | A |

Notes: Rank ranges from 1 to 50 (for the number of states), with 1 being the best and 50 the worst. The rank and grade are based on the data from the five categories in the previous table.

Source: Corporation for Enterprise Development, *The 1991 Development Report Card For The States.*"

DESCRIPTION OF TECHNOLOGY POLICY EFFORTS

As mentioned above, Kansas has implemented policy aimed at developing the state's technology resources. The following is a description of efforts to increase the state's levels of technology and innovation.

Kansas Technology Enterprise Corporation (KTEC):

KTEC is a non-profit corporation that was created by the state of Kansas in 1987. KTEC's mission is "to create and maintain employment by fostering innovation, stimulating the commercialization of new technologies and promoting the creation, growth and expansion of Kansas enterprises."¹

KTEC is involved in several programs that help develop the state's technology and innovation. They include:

1) Mid-America Manufacturing Technology Center (MAMTC)

In March 1991, the National Institute of Standards and Technology (NIST) awarded KTEC a \$12.9 million grant (over six years) to help establish MAMTC. MAMTC's purpose is to help small manufacturers become more competitive and productive. A goal of MAMTC is to bring advanced manufacturing technology to Kansas firms. MAMTC provides assistance in four main ways:

- i) Direct consultation-engineers visit companies, identify and resolve problems.
- ii) Training-customized and general seminars and workshops.
- iii) Networks-discuss problems, develop new relationships, tell MAMTC what is needed.
- iv) Demonstrations-give companies a chance to see equipment without having to purchase it.

MAMTC accomplishes its goals through its head office in Overland Park, and regional offices in Manhattan, Wichita, Pittsburg, Lenexa, and Great Bend.

2) Centers of Excellence

The Centers of Excellence are research centers, based at universities throughout Kansas, that are designed to cater to the technical needs of Kansas businesses. There are five Centers of Excellence, each with its own technology focus:

- a) Advanced Manufacturing Institute (AMI). Located at Kansas State University, this Center works with Kansas companies to "enhance their manufacturing technology, develop new products, and increase productivity."

¹This and all subsequent quotes in this section taken from: Kansas Technology Enterprise Corporation. (1991). *1991 Annual Report*. Topeka.

- b) Center for Excellence in Computer Aided Systems Engineering (CECASE). Located at the University of Kansas, this Center conducts research into "methodologies for computer aided analysis and design of advanced engineering systems, and the development of (sic) prototype software products."
- c) Center for Technology Transfer (CTT). Located at Pittsburg State University, this Center's technical expertise and research programs help companies design, test, and develop prototypes, products and processing methods.
In addition, CTT works with the Institute for Economic Development at Pittsburg State University in order to provide clients with expertise in management methods, capital creation, and technology transfer.
- d) Higuchi Biosciences Center (HBC). This center, located at the University of Kansas, includes the Center for Biomedical Research, the Center for Bioanalytical Research, the Center for Drug Delivery Research, and the Center for Molecular Engineering and Immunology.
The research foci of these Centers include the "three activities that are essential to the preclinical phase of drug therapy development-analysis, delivery, and formulation."
- e) National Institute for Aviation Research (NIAR). This Center at Wichita State University. caters to the research and technology needs of the aviation industry.

3) Applied Research Matching Fund

KTEC awards funds to private businesses and Kansas educational institutions for projects that "apply current scientific and technological knowledge and lead to new developments that can have a positive impact on the Kansas economy." Each application for funds is carefully screened by KTEC and a network of technical experts. If the application is accepted, KTEC will fund up to 40 percent of the project's costs.

4) Small Business Innovation Research Grants

Under this program, KTEC will provide matching funds up to a maximum of \$5,000 per proposal to small Kansas businesses to be used for preparation of proposals to federal agencies under the Small Business Innovation Research (SBIR) program. Proposals that meet the federal requirements are eligible for up to \$500,000 in federal grants. Eligible firms may receive up to three grants from KTEC annually.

In addition, KTEC also offers a "support network for SBIR concept evaluation, identification of appropriate SBIR solicitation topics, federal agency contact, and technical assistance." The cost of using the network qualifies for SBIR matching funds.

5) Training Equipment Grants

In FY 1989 and 1991, KTEC matched funds with seven Kansas area vocational technical schools and community colleges in order to finance training equipment necessary to train Kansas workers at current levels of technology.

6) Kansas Agriculture Value-Added Processing Center (KVAC)

Associated with Kansas State University, the KVAC makes efforts to "enhance agricultural, economic and rural revitalization by promoting the growth of value-added processing facilities in Kansas."

7) Ad Astra Fund

In a limited partnership with a venture capital management firm, the state of Kansas and private industry combine funds to invest in "quality, high return investments in companies whose technology has a broad market appeal and a management team which is highly motivated, capable and dedicated to the creation of a successful business."

OTHER PROGRAMS

Kansas Industrial Training (KIT) and Kansas Industrial Retraining (KIR)

The Kansas Industrial Training program is offered through the Kansas Department of Commerce and is available to companies wanting to locate a new facility in Kansas or for existing companies wanting to expand their current Kansas workforce. The Kansas Industrial Retraining program is designed to assist restructuring Kansas companies whose employees may lose their jobs because of obsolete job skills and knowledge. Both programs are available to manufacturing, distribution, and regional or national service-related operations training 10 or more employees. Each company receiving KIT/KIR funds designs its own particular training program using its own supervisory staff, a vocational-technical school, a community college, consultants, or a mix of these to meet the company's specific training needs.

Therefore, if a firm desires to pursue new and advanced technologies, but does not have a local workforce capable of working with this technology, the KIT/KIR programs may be able to help.

Section IX: Quality of Life

Quality of Life represents those community characteristics which make it a pleasant and enjoyable place to live. Healthy, stable communities have a climate which encourages young people to stay in their community and one which attracts new residents.

Individual viewpoints on Quality of Life are based upon personal values and may differ from person to person. In general, a good Quality of Life is based on strengths in many areas, including low crime and poverty, a wide range of recreational activities, access to health and child care, and affordable housing.

In this section, the following measures are examined:

- *overall indices* take into account the number of volumes in public libraries (per capita), sites on the National Register of Historic Places, museums, local events, and state/federal recreation areas;
- *crime index offenses* indicate social stability and level of public safety;
- *hospital beds and physicians* determine access to doctors and public medical infrastructure; *infant deaths* may pinpoint pockets of poverty or barriers to adequate health care; *adult care homes' licensed beds* demonstrate the local capacity to care for the elderly;
- *day care and preschool facilities* represent child care options for working families;
- *percentage of population with poverty status* reflects the distribution of income within a community;
- *number of housing units and vacancy rates* demonstrate the capacity of existing housing to accommodate population growth; *vacancy tenure* may indicate housing which could deteriorate or need substantial improvements over time; *median housing costs* represent value and affordability; and

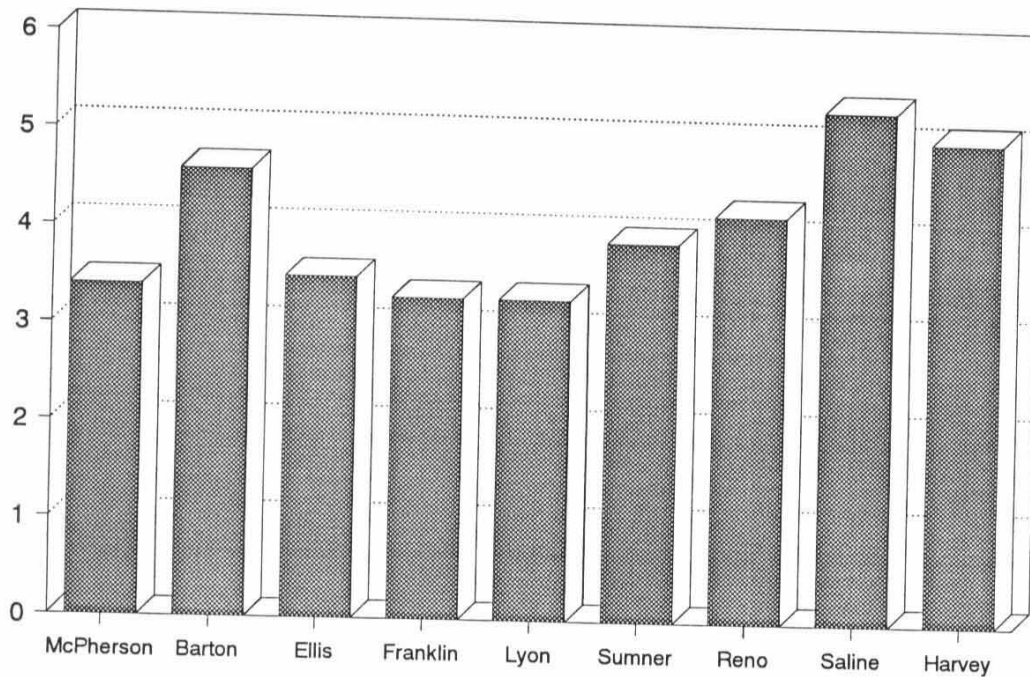
QUALITY OF LIFE: KEY FINDINGS

- The overall quality of life in McPherson County -- measured in terms of the number of sites on the National Register of Historic Places, number of museums, and the number of state/federal recreation areas -- is comparable to that of the comparison counties. Only two indices, including number of public library volumes per capita and number of events, were relatively lower than those in other counties.
- Crime rates in McPherson County were profoundly less than the state average and were consistently lower than those of any comparative county.
- McPherson County's access to health care is not as attractive as several of the comparative counties. In 1990, there were 1,298 persons for every physician, compared with 607 statewide. Availability of hospital beds within the county is relatively low on a per-thousand population, and the utilization of hospital beds is about 10 percent higher than the state average.
- Infant mortality rates were lower than the state average throughout the 1980s, and was comparable or lower than that of medium sized comparative counties and the adjacent counties.
- McPherson County is relatively well off in terms of the number of adult care beds per population over 65. Its 1991 ratio of .13 beds for each person over 65 is higher than every comparative except Harvey (.15) and well above the state average (.08).
- McPherson County does not compare favorably with its comparative counties on Preschool and licensed day care facilities.
- While most of the comparative counties experienced increases in the proportion of population with poverty status, McPherson's rate declined during the decade to 7.1 percent, lowest rate of any comparative except Johnson, and was two-thirds the state rate.
- McPherson's housing availability was superior to that of the state as a whole and nearly every comparative county.
- Owner occupancy rates are relatively high in McPherson County. Sixty-eight percent of housing units in 1990 were owner-occupied, compared with 61 percent state-wide.
- In 1990, the median value of an owner-occupied home in McPherson County was \$47,900. This was 8 percent less than the statewide median value of \$52,200. Over the decade, the value of these homes grew by 25 percent in McPherson, a rate faster than six of the eleven comparatives. Rental costs were moderate in McPherson in 1990 relative to the state-wide median rents and those of the comparative counties.

QUALITY OF LIFE: DATA ANALYSIS

Figure 9.1

Public Library Volumes Per Capita McPherson and Comparative Counties



Source: John Clements, *Flying the Colors: Kansas Facts*, Dallas, Texas: Central Research II, Inc., 1990.

- The total number of public library volumes per capita in McPherson County was slightly below the average of the comparison counties. The number of volumes in McPherson (3.4 per capita) was greater than those in Johnson (1.8), Sedgwick (1.8), Franklin (2.3), and Lyon (3.3).
- McPherson County matched the average of its peers in terms of the number of sites on the National Register of Historic Places and number of museums, exceeded the average number of state/federal recreation areas, and had a significantly smaller number of events.

Table 9.1
Quality of Life: Overall Indices
McPherson and Comparative Counties

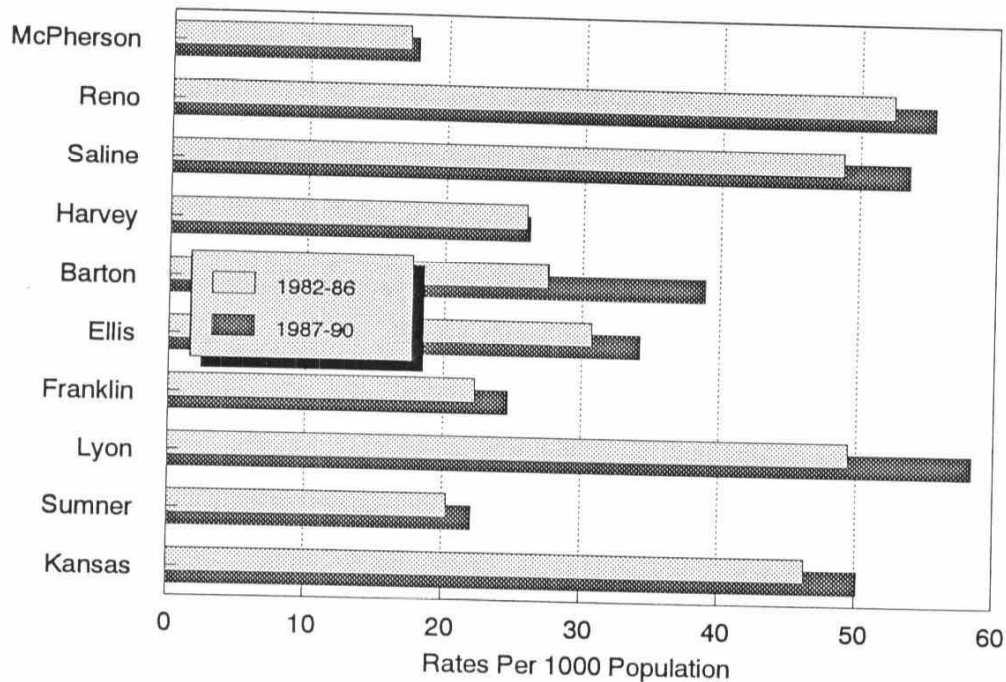
| | <u>Library Volumes Per Capita</u> | <u>Number of Sites on National Register of Historical Places</u> | <u>Number of Museums</u> | <u>Number of Events¹</u> | <u>Number of State/Federal Recreational Areas</u> |
|-----------|---|--|------------------------------|---|---|
| McPherson | 3.4 | 9 | 5 | 14 | 4 |
| Johnson | 1.8 | 5 | 4 | 34 | 2 |
| Sedgwick | 1.8 | 29 | 14 | 58 | 1 |
| Reno | 4.2 | 7 | 2 | 12 | 3 ² |
| Saline | 5.3 | 8 | 3 | 8 | 1 |
| Harvey | 5.0 | 10 | 4 | 24 | -- |
| Barton | 4.6 | 3 | 2 | 4 | 2 |
| Ellis | 3.5 | 6 | 4 | 15 | -- |
| Franklin | 2.3 | 11 | 1 | 20 | -- |
| Lyon | 3.3 | 11 | 2 | 22 | 2 |
| Sumner | 3.9 | 6 | 4 | 15 | -- |

¹Includes festivals, antiques/flea markets, product expositions, holiday/religious events, arts and crafts shows, athletic events, etc.

²Includes wildlife refuges.

Source: John Clements, *Flying the Colors: Kansas Facts*, Dallas, Texas: Central Research II, Inc., 1990.

Figure 9.2
 Crime Indices, 1982-86 and 1987-90
 McPherson, Comparatives, and Kansas



Source: Kansas Bureau of Investigation, *Crime in Kansas 1988, 1989*; State of Kansas, *Uniform Crime Report, Crime in Kansas, 1980*.

- Crime rates were lower in McPherson County than in any comparative county throughout the period 1982-1990. The overall index of crime offenses was about one-third the state rate throughout the decade, and half that of medium sized comparative counties.
- Violent crime and property crimes were similarly low in McPherson relative to the state and comparative counties.
- Property crimes showed a marginal increase in McPherson during the latter part of the decade, consistent with statewide trends.

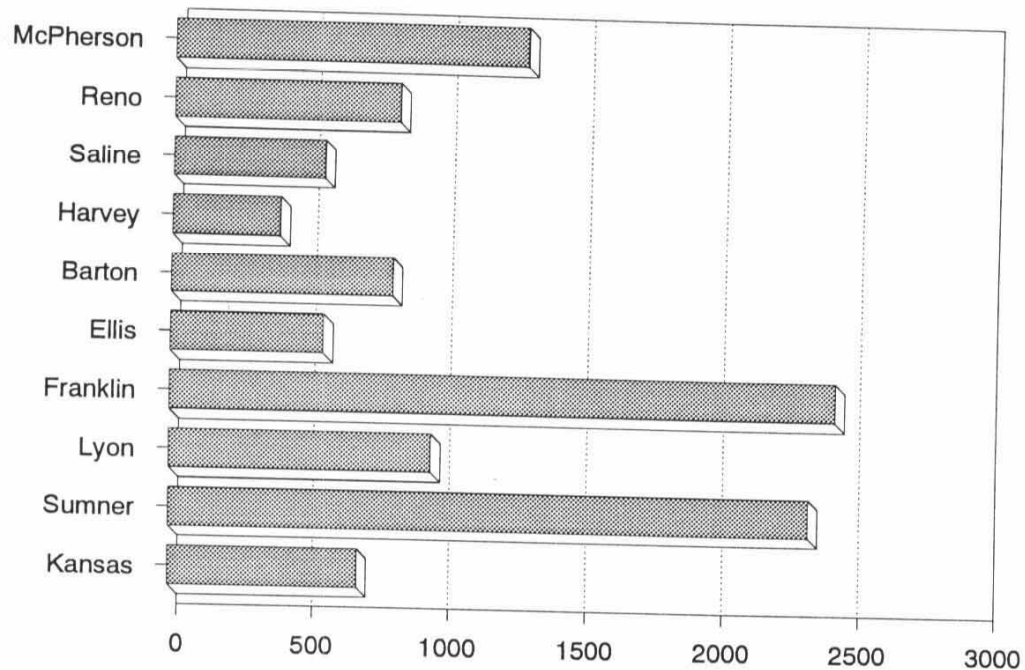
Table 9.2
 Crime Indices: Rate per 1,000 Population, 4-year Averages
 McPherson, Comparative Counties, and Kansas, 1982-1986 and 1987-1990

| | <u>Crime Index Offenses</u> | | <u>Violent Crime</u> | | <u>Property Crime</u> | |
|-----------|-----------------------------|------------------|----------------------|----------------|-----------------------|----------------|
| | <u>1982-86</u> | <u>1987-1990</u> | <u>1982-86</u> | <u>1987-90</u> | <u>1982-86</u> | <u>1987-90</u> |
| McPherson | 17.2 | 17.8 | 1.0 | 0.9 | 16.3 | 16.9 |
| Johnson | 43.0 | 45.0 | 2.4 | 2.7 | 40.5 | 42.3 |
| Sedgwick | 69.7 | 74.3 | 4.8 | 5.9 | 64.9 | 68.4 |
| Reno | 52.4 | 55.4 | 2.8 | 4.6 | 49.7 | 50.9 |
| Saline | 48.8 | 53.6 | 1.6 | 2.1 | 47.2 | 51.5 |
| Harvey | 25.9 | 26.1 | 1.2 | 1.3 | 24.6 | 24.8 |
| Barton | 37.5 | 38.9 | 2.8 | 3.0 | 34.7 | 36.0 |
| Ellis | 30.7 | 34.2 | 1.2 | 0.9 | 29.6 | 33.3 |
| Franklin | 22.3 | 24.7 | 1.1 | 1.7 | 21.3 | 23.0 |
| Lyon | 49.4 | 58.4 | 2.0 | 3.7 | 46.7 | 54.8 |
| Sumner | 20.3 | 22.1 | 1.0 | 1.5 | 19.6 | 20.6 |
| Kansas | 46.3 | 50.1 | 3.5 | 4.0 | 43.9 | 46.0 |

Note: Crime Index Offenses are murder, non-negligent manslaughter, rape, robbery, aggravated assault, burglary, larceny, and motor vehicle theft.

Source: Kansas Bureau of Investigation, *Crime in Kansas 1988, 1989*; State of Kansas, *Uniform Crime Report, Crime in Kansas, 1980*.

Figure 9.3
 Persons Per Physician, 1989
 McPherson, Comparatives, and Kansas



Source: American Hospital Association, *American Hospital Association Guide to the Health Care Field*, 1981 Edition; 1989 Edition; Kansas Department of Health and Environment, Office of Information Systems and Computing.

- McPherson County's access to health care is not as attractive as several of the comparative counties. In 1990, there were 1,298 persons for every physician, compared with 607 statewide. Only Franklin and Sumner counties experienced higher ratios.
- Hospital beds per thousand in McPherson was relatively low, with 3.8 beds per thousand (in 1989) compared with a statewide average of 6.0 (in 1990). Only Franklin, Reno and Johnson Counties had lower ratios.
- Hospital bed utilization rates were 10 percent higher than the state average, with 26.7 admissions per bed in 1990.

Table 9.3
Health Care Access Measures, 1989 and 1990
McPherson, Comparative Counties, and Kansas

| | Total Hosp Beds | Total Population | Beds Per 1000 | Beds from Rptg Hosp | Total Admits | Admissions Per Bed | Persons Per Physician |
|-----------|--------------------|---------------------|------------------|------------------------|-----------------|-----------------------|--------------------------|
| McPherson | 104 | 27,268 | 3.8 | 104 | 2,777 | 26.7 | 1,298 |
| Johnson | 1,159 | 355,054 | 3.3 | 989 | 28,940 | 29.3 | 666 |
| Sedgwick | 2,106 | 403,662 | 5.2 | 2,026 | 72,816 | 35.9 | 485 |
| Reno | 142 | 62,389 | 2.3 | 142 | 6,746 | 47.5 | 832 |
| Saline | 382 | 49,301 | 7.7 | 356 | 10,134 | 28.5 | 560 |
| Harvey | 250 | 31,028 | 8.1 | 207 | 6,166 | 29.8 | 398 |
| Barton | 211 | 29,382 | 7.2 | 211 | 5,408 | 25.6 | 816 |
| Ellis | 236 | 26,004 | 9.1 | 116 | 2,659 | 22.9 | 565 |
| Franklin | 45 | 21,994 | 2.0 | 45 | 1,722 | 38.3 | 2,444 |
| Lyon | 173 | 34,732 | 5.0 | 173 | 4,367 | 25.2 | 965 |
| Sumner | 131 | 25,841 | 5.1 | 96 | 1,304 | 13.6 | 2,349 |
| Kansas * | | | 6.0 | | | 24.3 | 697 |

* Statewide hospital bed and admission data is for 1990, while county data is for 1989.

¹ Calculations based on 1990 population figures.

Source: American Hospital Association, *American Hospital Association Guide to the Health Care Field, 1981 Edition; 1989 Edition*; Kansas Department of Health and Environment, Office of Information Systems and Computing.

- The infant mortality rate in McPherson County was lower than the state average throughout the 1980s, and was comparable or lower than that of medium sized comparative counties and the adjacent counties.
- In the latter part of the decade, the rate of infant deaths rose significantly. Over the period 1987-1991, McPherson's infant mortality rate matched the state average.

Table 9.4
Number of Deaths, Infants Less Than 1 Year of Age, 1980 and 1987
McPherson, Comparative Counties, and Kansas

| | Total Number of Deaths | | Percent of Year's Births | |
|-----------|------------------------|---------|--------------------------|---------|
| | 1982-86 | 1987-91 | 1982-86 | 1987-91 |
| McPherson | 3 | 15 | 0.1 | 0.9 |
| Johnson | 155 | 167 | 0.7 | 0.6 |
| Sedgwick | 376 | 395 | 1.0 | 1.1 |
| Reno | 50 | 44 | 1.0 | 1.1 |
| Saline | 33 | 29 | 0.8 | 0.8 |
| Harvey | 17 | 17 | 0.7 | 0.8 |
| Barton | 27 | 19 | 0.9 | 0.8 |
| Ellis | 25 | 10 | 1.0 | 0.6 |
| Franklin | 14 | 13 | 0.8 | 0.8 |
| Lyon | 34 | 17 | 1.1 | 0.6 |
| Sumner | 21 | 14 | 1.1 | 0.8 |
| Kansas | 1,913 | 1,689 | 1.0 | 0.9 |

Source: KCCED County Database, from Kansas Department of Health and Environment, Bureau of Registration and Health Statistics, *Annual Summary of Vital Statistics*. IPPBR percentage calculations based on data from Kansas Department of Health and Environment, Office of Information Systems and Computing.

- McPherson County is relatively well off in terms of the number of adult care beds per population over 65. Its 1991 ratio of .13 beds for each person over 65 is higher than every comparative except Harvey (.15) and well above the state average (.08).
- The number of adult care beds in McPherson County increased from 626 in 1983 to 628 in 1991. This represented an increase of 4 percent, the smallest of any comparative. Statewide, the number of adult care beds grew by 12 percent over this period. In Johnson County, the number of adult care beds nearly doubled over this time frame.

Table 9.5
Adult Care Homes: Licensed Beds
McPherson, Comparative Counties, and Kansas, 1983 and 1991

| | Number of Licensed Beds | | Number of Beds Per Population 65 and Older | |
|-----------|----------------------------|--------|---|-------------------|
| | 1983 | 1991 | 1983 ¹ | 1991 ² |
| McPherson | 606 | 628 | 0.14 | 0.13 |
| Johnson | 1,413 | 2,651 | 0.07 | 0.08 |
| Sedgwick | 2,325 | 2,811 | 0.07 | 0.06 |
| Reno | 634 | 856 | 0.07 | 0.08 |
| Saline | 419 | 446 | 0.07 | 0.06 |
| Harvey | 731 | 757 | 0.16 | 0.15 |
| Barton | 374 | 384 | 0.09 | 0.08 |
| Ellis | 263 | 290 | 0.10 | 0.08 |
| Franklin | 277 | 284 | 0.08 | 0.08 |
| Lyon | 253 | 420 | 0.06 | 0.10 |
| Sumner | 483 | 474 | 0.11 | 0.11 |
| Kansas | 25,584 | 28,731 | 0.08 | 0.08 |

¹Calculations based upon 1980 population totals.

²Calculations based upon 1990 population totals.

Source: KCCED County Database, from Kansas Department of Health and Environment, Office of Information Systems and Computing.

- The number of children (3-4 years old) per preschool was lower in McPherson County than any of the comparison counties or the state average. In fact, McPherson's figure of 96.9 was almost half of the state's number (191.0).
- The number of children (0-5 years old) per licensed day care center in McPherson County was the fifth lowest of the comparison counties.

Table 9.6
Access to Day Care and Preschool, 1989
McPherson, Comparative Counties, and Kansas

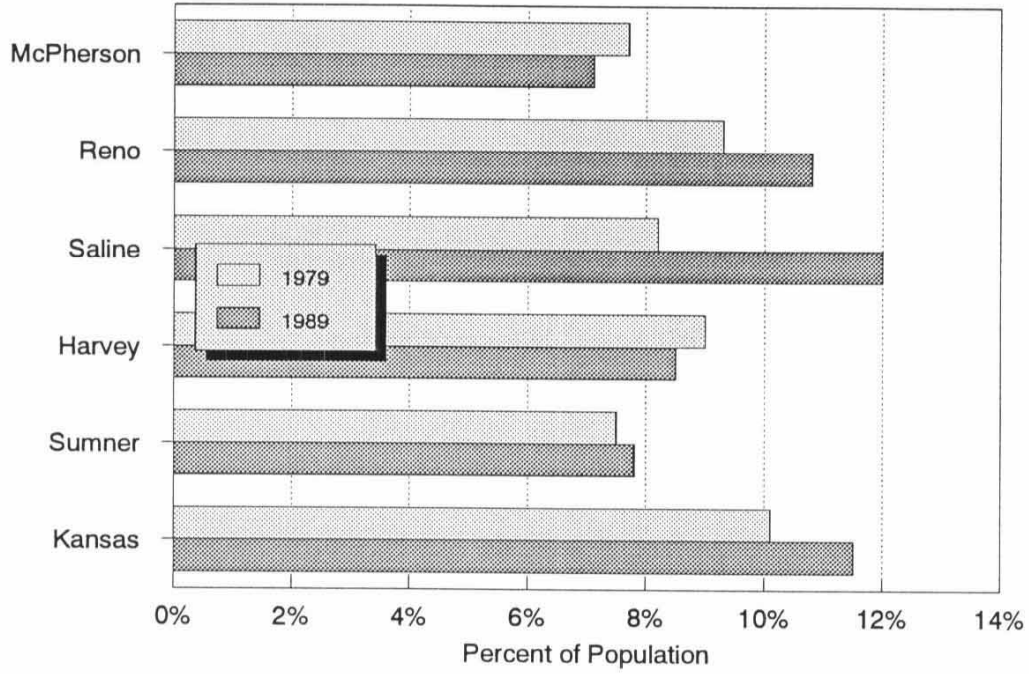
| | Number of Licensed Day Care Centers | | Number of Preschools | |
|-----------|--|-------------------------------------|----------------------|-------------------------------------|
| | Total | Children Per Center ¹ | Total | Children Per School ² |
| McPherson | 35 | 67.6 | 8 | 96.9 |
| Johnson | 580 | 58.0 | 32 | 355.8 |
| Sedgwick | 295 | 139.9 | 40 | 344.0 |
| Reno | 107 | 48.7 | 10 | 181.0 |
| Saline | 150 | 29.5 | 14 | 109.1 |
| Harvey | 22 | 116.7 | 6 | 153.0 |
| Barton | 26 | 105.5 | 7 | 134.9 |
| Ellis | 26 | 83.3 | 4 | 200.5 |
| Franklin | 29 | 73.9 | 4 | 175.8 |
| Lyon | 54 | 60.5 | 7 | 159.6 |
| Sumner | 31 | 75.9 | 6 | 133.3 |
| Kansas | 3,177 | 71.7 | 404 | 191.0 |

¹Calculations based upon number of persons aged 0-5 according to 1990 population totals.

²Calculations based upon number of persons aged 3-4 according to 1990 population totals.

Source: Robert H. Poresky, Department of Human Development and Family Studies (Kansas State University), Kansas Department of Health and Environment, Bureau of Adult and Child Care Facilities. Data collected by KCCED/IPPBR, KCRI/KSU.

Figure 9.4
 Persons With Poverty Status, 1979 & 1989
 McPherson, Selected Comparatives & Kansas



Source: U.S. Bureau of the Census, *Census of Population & Housing: General Social & Economic Characteristics, 1980; Summary Social, Economic & Housing Characteristics, 1990.*

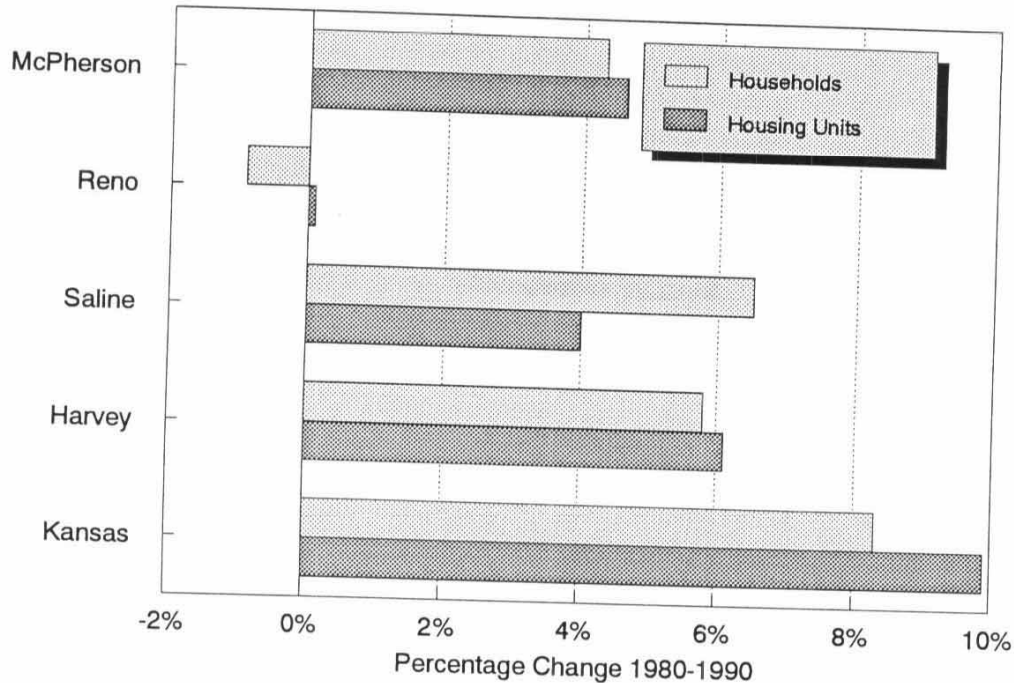
- The percentage of the population with poverty status in McPherson, relatively low in 1979 at 7.7 percent, declined during the decade to 7.1 percent. This was the lowest rate of any comparative, and was two-thirds the state rate.
- All of the comparative counties except Harvey experienced an increase in their poverty rates during the 1980s.

Table 9.7
Percent of Population with Poverty Status
McPherson, Comparative Counties, and Kansas, 1979 and 1989

| County | 1979 Persons | Percent of Pop. | 1989 Persons | Percent of Pop. | Net Change | Percent Change |
|-----------|-----------------|--------------------|-----------------|--------------------|---------------|-------------------|
| McPherson | 1,916 | 7.7% | 1,806 | 7.1% | -110 | -5.7% |
| Johnson | 9,726 | 3.6 | 12,667 | 3.6 | 2,941 | 30.2 |
| Sedgwick | 32,780 | 9.1 | 43,458 | 10.9 | 10,678 | 32.6 |
| Reno | 5,888 | 9.3 | 6,411 | 10.8 | 523 | 8.9 |
| Saline | 3,931 | 8.2 | 5,801 | 12.0 | 1,870 | 47.6 |
| Harvey | 2,602 | 9.0 | 2,486 | 8.5 | -116 | -4.5 |
| Barton | 2,596 | 8.4 | 3,392 | 11.8 | 796 | 30.7 |
| Ellis | 2,570 | 10.6 | 3,704 | 14.9 | 1,134 | 44.1 |
| Franklin | 2,125 | 10.0 | 2,540 | 11.8 | 415 | 19.5 |
| Lyon | 3,493 | 10.7 | 4,599 | 14.1 | 1,106 | 31.7 |
| Sumner | 1,834 | 7.5 | 1,984 | 7.8 | 150 | 8.2 |
| Kansas | 98,410 | 10.1 | 274,623 | 11.5 | 42,905 | 18.5 |

Note: Counties with high student populations (Ellis, Franklin) normally tend to show high poverty levels due to the prevalence of low-wage and seasonal employment of students and their restricted availability for work.
Source: U.S. Bureau of the Census, Census of Population & Housing: *General Social & Economic Characteristics, 1980*; *Summary Social, Economic & Housing Characteristics, 1990*, Summary Tape File 3.

Figure 9.5
 Change in Households & Housing Units
 McPherson, Selected Comparatives & Kansas



Source: U.S. Bureau of the Census, 1990 Census of the Population, Summary File Tape 1A, *Characteristics of the Population*.

- Housing availability improved slightly in McPherson County during the 1980s. While the number of households increased by 4.3 percent, the number of housing units grew by 4.6 percent.
- With 1.17 housing units per household, McPherson's housing availability was superior to that of any comparative except Barton, which it matched. Statewide, there were 1.11 housing units per household.
- Household formation was slow in McPherson (4.3%) between 1980 and 1990, compared with statewide rates (8.3%). However, McPherson's household formation rate exceeded that of five of the ten comparative counties.

Table 9.8
 Number of Housing Units, 1980 and 1990
 McPherson, Comparative Counties, and Kansas

| | <u>Total Households</u> | | <u>Number of Housing Units</u> | | <u>Housing Units per Household</u> | | <u>Percent Change</u> | |
|-----------|-------------------------|-------------|--------------------------------|-------------|------------------------------------|-------------|-----------------------|----------------------|
| | <u>1980</u> | <u>1990</u> | <u>1980</u> | <u>1990</u> | <u>1980</u> | <u>1990</u> | <u>Households</u> | <u>Housing Units</u> |
| McPherson | 9,807 | 10,230 | 10,464 | 10,941 | 1.07 | 1.17 | 4.3% | 4.6% |
| Johnson | 96,927 | 136,433 | 102,827 | 144,155 | 1.06 | 1.06 | 40.8 | 40.2 |
| Sedgwick | 137,744 | 156,571 | 145,562 | 170,159 | 1.06 | 1.09 | 13.7 | 16.9 |
| Reno | 24,448 | 24,239 | 26,574 | 26,607 | 1.09 | 1.10 | -0.9 | 0.1 |
| Saline | 18,613 | 19,826 | 20,316 | 21,129 | 1.09 | 1.07 | 6.5 | 4.0 |
| Harvey | 10,947 | 11,581 | 11,563 | 12,290 | 1.06 | 1.06 | 5.8 | 6.1 |
| Barton | 11,797 | 11,561 | 12,871 | 13,144 | 1.09 | 1.17 | -3.5 | 3.8 |
| Ellis | 9,200 | 10,096 | 10,248 | 11,115 | 1.11 | 1.10 | 9.7 | 8.5 |
| Franklin | 8,148 | 8,308 | 8,763 | 8,926 | 1.08 | 1.07 | 2.0 | 1.9 |
| Lyon | 13,009 | 13,059 | 13,980 | 14,346 | 1.07 | 1.10 | 0.4 | 2.6 |
| Sumner | 9,413 | 9,689 | 10,356 | 10,769 | 1.10 | 1.11 | 2.9 | 4.0 |
| Kansas | 872,239 | 944,726 | 950,151 | 1,044,112 | 1.09 | 1.11 | 8.3 | 9.9 |

Source: U.S. Bureau of the Census, 1990 Census of the Population, Summary File Tape 1A, *Characteristics of the Population*.

- Vacancy rates in McPherson were much lower than those in the comparison counties and the state in 1990, particularly for rental units. Only Harvey County among the comparatives had lower rental vacancy rates than McPherson.
- Owner occupied unit vacancies were also low in 1990 but were surpassed by those of Saline and Harvey.
- Owner occupancy rates are relatively high in McPherson County. Sixty-eight percent of housing units in 1990 were owner-occupied, compared with 61 percent state-wide. Only Sumner County had equivalent rates of owner occupied housing.

Table 9.9
Housing Occupancy and Tenure, 1990
McPherson, Comparative Counties, and Kansas

| | Total Housing Units | Owner Occupied | Renter Occupied | Vacant Total | Vacant Seasonal | Vacancy Rates | |
|-----------|------------------------|-------------------|--------------------|-----------------|--------------------|---------------|--------|
| | | | | | | Owned | Rental |
| McPherson | 10,941 | 7,483 | 2,747 | 711 | 38 | 1.6 | 8.4 |
| Johnson | 144,155 | 94,661 | 41,722 | 7,722 | 303 | 2.1 | 9.5 |
| Sedgwick | 170,159 | 99,753 | 56,818 | 13,588 | 249 | 2.2 | 13.4 |
| Reno | 26,607 | 16,954 | 7,285 | 2,368 | 163 | 2.2 | 12.4 |
| Saline | 21,129 | 13,216 | 6,610 | 1,303 | 30 | 1.4 | 9.5 |
| Harvey | 12,290 | 7,925 | 3,656 | 709 | 33 | 1.5 | 6.8 |
| Barton | 13,144 | 8,357 | 3,204 | 1,583 | 37 | 3.0 | 16.8 |
| Ellis | 11,115 | 6,501 | 3,595 | 1,019 | 43 | 2.3 | 12.2 |
| Franklin | 8,926 | 6,037 | 2,271 | 618 | 43 | 2.7 | 27.2 |
| Lyon | 14,346 | 8,011 | 5,048 | 1,287 | 38 | 2.1 | 9.7 |
| Sumner | 10,769 | 7,420 | 2,269 | 1,080 | 71 | 2.3 | 13.4 |
| Kansas | 1,044,112 | 641,762 | 302,964 | 99,386 | 7,336 | 2.3 | 11.1 |

Source: U.S. Bureau of the Census, 1990 Census of the Population, Summary File Tape 1A, *Characteristics of the Population*.

- The number of units vacant 6 or more months in McPherson County was relatively low when compared to the other counties and the state average. The percent of total vacancies which were vacant 6 or more months in McPherson County was 46.7 percent, and only two counties -- Johnson (20.5) and Sedgwick (33.8) -- were lower.
- Rental vacancies of 6 or more months were lower in three other counties, including Johnson, Sedgwick, and Lyon. Franklin was tied with McPherson County, both with rates of 27.3 percent. Comparing those for-sale units which have been vacant 6 or more months, McPherson (52.1%) lagged behind only two counties: Johnson (32.7) and Sedgwick (41.1).

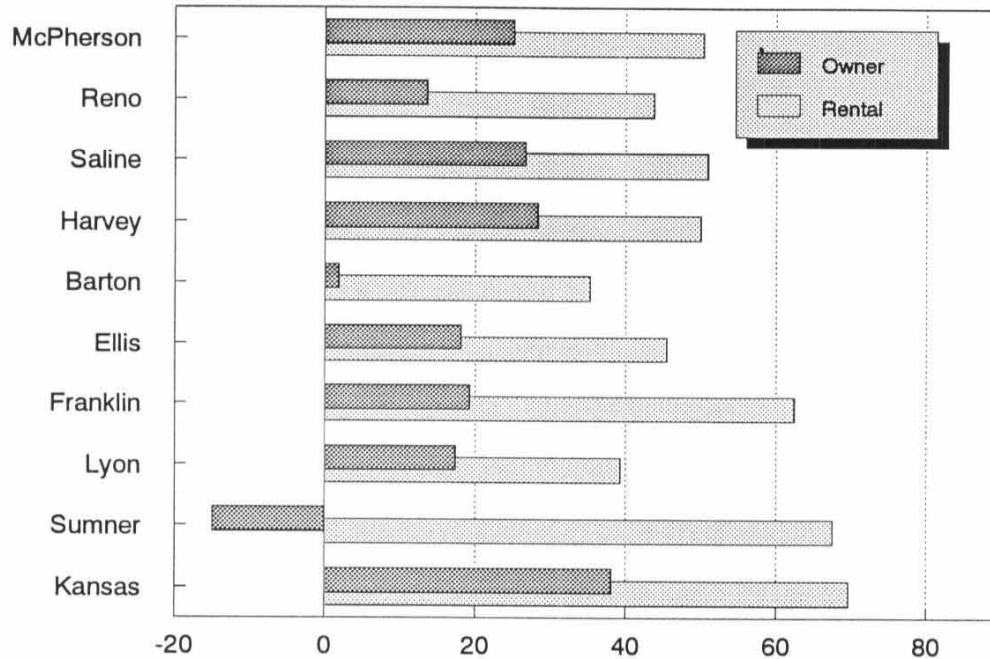
Table 9.10
Housing Units Vacant 6 or More Months, 1990
McPherson, Comparative Counties, and Kansas

| | Total Vacancies | | Rentals Vacant | | Units for Sale | |
|-----------|-----------------|----------|----------------|----------|----------------|----------|
| | Number | % Vacant | Number | % Vacant | Number | % Vacant |
| McPherson | 332 | 46.7% | 63 | 27.3% | 63 | 52.1% |
| Johnson | 1,585 | 20.5 | 485 | 12.2 | 639 | 32.7 |
| Sedgwick | 4,595 | 33.8 | 1,795 | 23.5 | 881 | 41.1 |
| Reno | 1,287 | 54.3 | 302 | 33.4 | 224 | 59.3 |
| Saline | 496 | 72.5 | 54 | 47.4 | 77 | 75.5 |
| Harvey | 355 | 50.1 | 90 | 36.3 | 67 | 56.3 |
| Barton | 1,047 | 66.1 | 256 | 47.7 | 175 | 68.9 |
| Ellis | 569 | 55.8 | 150 | 34.1 | 94 | 63.1 |
| Franklin | 350 | 56.6 | 44 | 27.3 | 67 | 60.9 |
| Lyon | 638 | 49.6 | 125 | 25.4 | 96 | 56.1 |
| Sumner | 669 | 61.9 | 136 | 44.6 | 111 | 65.3 |
| Kansas | 49,844 | 50.2 | 11,220 | 29.8 | 8,256 | 54.1 |

Note: Percentages are equivalent to the percentage of units vacant 6 or more months within each classification (i.e. Total, Rentals, Units for Sale).

Source: U.S. Bureau of the Census, 1990 Census of the Population, Summary File Tape 1A, *Characteristics of the Population*.

Figure 9.6
 Change in Median Housing Costs 1980-90
 McPherson and Selected Comparatives



Source: U.S. Bureau of the Census, 1990 Census of the Population, Summary File Tape 1A, *Characteristics of the Population*.

- In 1990, the median value of an owner-occupied home in McPherson County was \$47,900. This was 8 percent less than the statewide median value of \$52,200.
- McPherson's median owner-occupied house value was fourth highest of the eleven comparative counties. Over the decade, the value of these homes grew by 25 percent in McPherson, a rate faster than six of the eleven comparatives.
- Rental costs were moderate in McPherson in 1990 relative to the state-wide median rents and those of the comparative counties.

Table 9.11
 Median Housing Costs, 1980 and 1990
 McPherson, Comparative Counties, and Kansas

| | Owner-Occupied Median Value | | Renter-Occupied Median Rent | | Percent Change | |
|-----------|--------------------------------|--------|--------------------------------|------|----------------|-----------------|
| | 1980 | 1990 | 1980 | 1990 | Owner Units | Rental Units |
| McPherson | 38,300 | 47,900 | 149 | 224 | 25.1 | 50.3 |
| Johnson | 65,200 | 91,500 | 275 | 438 | 40.3 | 59.3 |
| Sedgwick | 42,000 | 58,500 | 200 | 302 | 39.3 | 51.0 |
| Reno | 35,300 | 40,100 | 162 | 233 | 13.6 | 43.8 |
| Saline | 35,900 | 45,500 | 165 | 249 | 26.7 | 50.9 |
| Harvey | 36,700 | 47,100 | 154 | 231 | 28.3 | 50.0 |
| Barton | 37,000 | 37,700 | 156 | 211 | 1.9 | 35.3 |
| Ellis | 42,000 | 49,600 | 156 | 227 | 18.1 | 45.5 |
| Franklin | 31,600 | 37,700 | 133 | 216 | 19.3 | 62.4 |
| Lyon | 39,000 | 45,800 | 168 | 234 | 17.4 | 39.3 |
| Sumner | 30,000 | 25,500 | 120 | 201 | -15.0 | 67.5 |
| Kansas | 37,800 | 52,200 | 168 | 285 | 38.1 | 69.6 |

Source: U.S. Bureau of the Census, 1990 Census of the Population, Summary File Tape 1A, *Characteristics of the Population*.

Section X: Summary of Strengths, Weaknesses Opportunities and Threats

Understanding the economic, social and demographic trends which have been occurring and are likely to occur is an important first step in developing a strategic plan for the future. Throughout this report, McPherson County's performance has been related to that of similar areas in order to provide a context for evaluating whether McPherson's performance has been relatively good or relatively poor. This section provides a brief summary of these comparisons, organized into strengths and weaknesses. This will help identify where action can or should be taken to either address a problem or to build upon an area of strength within the community. If present trends continue, changes in the world around McPherson County will present conditions which will either be favorable (opportunities) or unfavorable (threats) for McPherson County's well-being. It is from this context that priorities can be determined, and specific action proposals can be developed.

The following list of strengths, weaknesses, opportunities and threats is not intended to be exhaustive. It is intended merely as a beginning point, drawing upon some of the conclusions of this report, and should be supplemented with the conclusions of other reports, discussions, public meetings, surveys, and importantly, local common knowledge about community conditions.

STRENGTHS

- High school dropout rates generally lower than the state average
- Lower public school pupil-teacher ratio than comparative counties
- High rate of job creation from 1981-1990
- Persistently low rates of unemployment
- Per capita income higher than average for non-metropolitan Kansas with continued growth
- Growth and level of average earnings per job comparable to non-metropolitan areas and state as a whole
- Low level of dependence on transfer payments
- Extensive public highway network and access to major federal and state highways
- Recent stability in taxable retail sales
- Net job growth rates higher than most comparative counties
- Job growth in service and manufacturing sectors
- Relatively high wages in wholesale and manufacturing sectors
- Sustained levels of farm output
- Assessed tangible property valuation remains steady
- Relatively high number of banks headquartered in the county
- Crime rates lower than average for comparative counties and state
- Relatively low infant mortality rates

- Greater access to adult care facilities than state and comparative counties
- Low levels of persons with poverty status

WEAKNESSES

- Lower educational levels than for several comparative counties and the state as a whole
- Slower increase in per-pupil educational expenditures than in several comparative counties
- Steady increase in high school dropout rates
- Less access to rail transportation than comparative counties
- Lower level of access to water/sewer infrastructure than comparative counties
- Average annual pay per employee lagging behind state and comparative areas
- Relatively low rates of pay in services and mining sectors
- Bank assets tend to be smaller than in comparative counties
- Less access to health care than comparative counties

OPPORTUNITIES

- Steady and moderate population growth
- Recent stability in size of labor force
- Increased traffic flows through the county indicate increased interdependencies with neighboring counties
- Growing trend toward smaller firms may provide opportunities for expansion
- Housing supply is available and is growing, improving the ability to accommodate short term and immediate employment growth
- Kansas has developed numerous state technology and small business programs
- McPherson is one of fifteen counties receiving investments from certified venture/seed capital companies

THREATS

- Under 18 population is lower than adjacent counties; over 65 population is higher than in comparative counties and the state as a whole
- Shrinking proportion of the population of working age
- Shrinking labor force since 1980
- Slowdown in rate of job growth in recent years
- Loss of jobs in all sectors except services, manufacturing and government
- Decline in real taxable retail sales since 1981
- Kansas has not performed well with respect to innovation and technology
- Preschool and licensed day care lag behind comparative counties