

CHAPTER 4

ECONOMY

Economic data is collected through the *American Community Survey*, which is administered by the U.S. Census Bureau. The *Survey* is sent to about 250,000 households each month. Since data collection is ongoing, it can provide updated economic information each year to larger cities, and once every three-years to smaller communities.

Economic information is available in more detail from the U.S. Census Bureau FactFinder website at <http://factfinder2.census.gov>, where typing in the name of a city or county brings up the available data sets for that place. More detailed Kansas information, including demographic data from Census 1990 and Census 2000, is available from the *University of Kansas Institute for Policy & Social Research*, at www.ipsr.ku.edu/ksdata.

Census Definitions

Certain terms used in the following discussion must be understood precisely in order to correctly comprehend the data.

Housing Unit: A house, apartment, mobile home, group of rooms, or a single room that is occupied as separate living quarters, or if vacant, is intended for such occupancy. "Separate living quarters" have direct access from the outside or through a common hall, and the occupants live and eat separately from other people in the building.

Family / Household: A *family* consists of two or more related people residing in the same housing unit. A household consists of all people who occupy a housing unit regardless of relationship, and may refer to a person living alone.

Median / Mean: A *median* is the middle number in a distribution of numbers, such that there is an equal probability of being above it or below it. A *mean* is generally understood as the "average" of a set of numbers, calculated by adding all the numbers in a set and then dividing by the total number of numbers. While a mean may be skewed by a single out-of-the-norm number in the set, a **median typically gives a fairly accurate picture of "normal"**.

Existing Economic Conditions

Information in this section originates in the *2007–2011 American Community Survey 5-Year Estimate*. Economic information was not collected in the 2010 Census, so there are discrepancies between the two data sets. For instance, the number of households in McPherson utilized by the Survey (5,289) is different than the official 2010 Census figure for number of households (5,521). To maintain consistency within the data, *Community Survey* numbers are used throughout this section.

Income & Earnings

The per capita income figure is a mean, derived by dividing the total income of every person 16 years old and over in a geographic area by the total population in that area. This figure is useful primarily when compared to the same datum for other geographic areas, and should not be construed as an accurate representation of actual income or earnings for a typical adult working McPherson resident.

— Annual Per Capita Income —	
United States	\$27,915
Kansas	\$26,545
McPherson County	\$26,357
McPherson	\$26,781

Per Capita Income: The average annual per capita income for McPherson residents is higher than that for McPherson County and the state of Kansas, but lower than that for the nation.

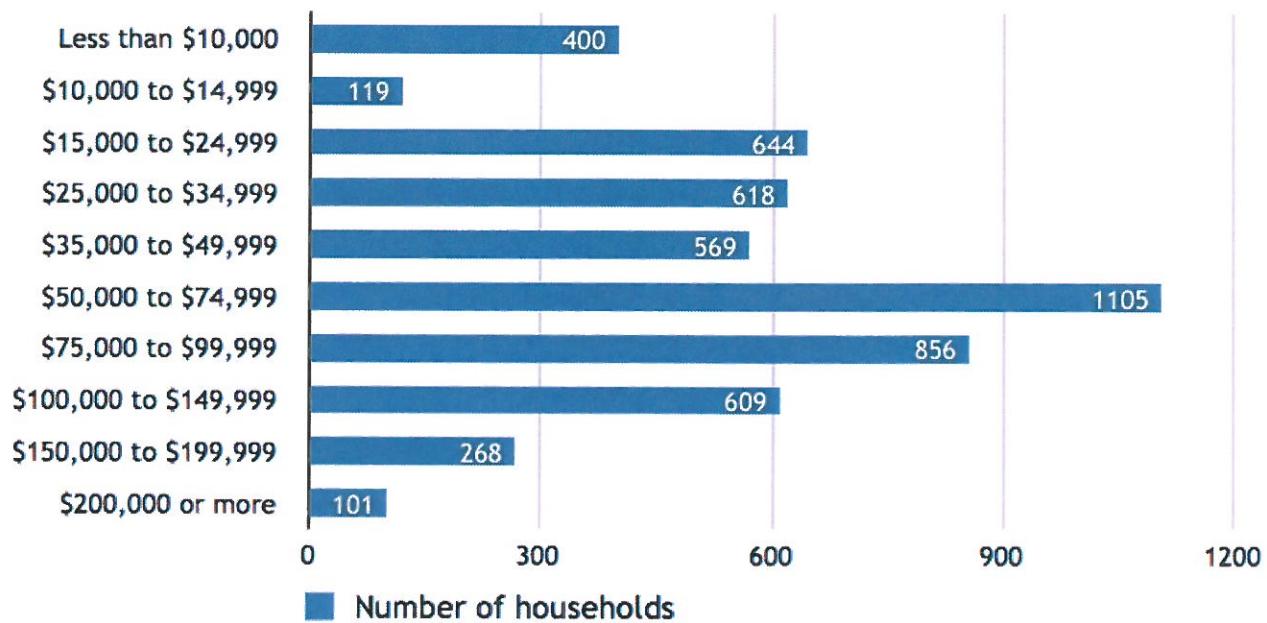
Median earnings noted below are for full-time, year-round workers.

Numbers refer to 2010 inflation-adjusted dollars.

	Median Earnings		Median Income	
	Males	Females	Household	Family
McPherson County	\$48,621	\$30,897	\$53,332	\$68,376
McPherson	\$53,094	\$31,743	\$54,108	\$73,164

Median Earnings: Median earnings for McPherson residents are higher than those for McPherson County residents in general, especially for men. Median income for McPherson residents is higher than that for McPherson County residents in general, particularly for families.

In the 2007–2011 American Community Survey 5-Year Estimate, out of 5,289 occupied households in McPherson, **annual household income** was distributed as shown; the bars indicate the number of households in each income range.



Census 2000 to the American Community Survey 5-Year Estimate for 2007 through 2011: Income data as such was not collected in the 2010 Census. However, in the ten years or so since the 2000 Census, per capita and household income levels for residents in the City of McPherson have increased by more than a third, and family income is nearly half again higher.

McPherson Income Comparisons	Income — Census 2000	Income — ACS 2007-2011	Percentage Increase
Per Capita Income	\$19,716	\$26,781	35.8%
Median Household Income	\$40,469	\$54,108	33.7%
Median Family Income	\$48,882	\$73,164	49.7%

Types of Employment

From the *2007–2011 American Community Survey 5-Year Estimate for McPherson*:

Out of a population of 13,214 persons, there were 10,169 people (77%) in the City of McPherson who were 16 years of age and older. Of those, 6,829 were in the labor force (67% of those 16 and up). Of those in the labor force, 6,617 were employed civilians, none were in the armed forces, and 212 were unemployed.

The following three tables show data for the 6,617 employed civilians in McPherson, 16 years of age and older—by the class of worker, by occupational category, and by the industry in which they were employed.

Class of Worker	Persons	Percentage
Private wage, salary, and commission workers	5,233	79.1%
Government workers (working for federal, foreign, international, tribal, state or local government)	1,038	15.7%
Self-employed (in own business, not incorporated)	346	5.2%
Unpaid family workers (working without pay in a family business or farm)	0	0.0%

Class of Worker: Almost four out of five of the employed people in McPherson work in the private sector.

Occupational Category	Persons	Percentage
Management, business, science, and arts	2,000	30.2%
Sales and office	1,643	24.8%
Production, transportation, and material moving	1,238	18.7%
Service	1,132	17.1%
Natural resources, construction, and maintenance	604	9.1%

Occupational Category: McPherson is a fairly white-collar town, with 55% of employed civilians 16 or older working in management, business, science, the arts, or sales and office jobs.

Major Employers in McPherson

Employer Name	Product(s)	# Employees
Hospira	Pharmaceuticals	1,398
CHS Refinery (Cenex Harvest States)	Oil Refining	640
Viega, LLC	Piping systems & Accessories	300
Johns Manville Corporation	Fiberglass insulation	275
Piping Technology Co.	Pipe Fabrication	200
Central Plastics, Inc.	Piping systems & Accessories	170
Ferguson Production, Inc.	Plastic injection moldings	154
Multi Community Diversified Services	Small parts assembly	140
Wear Technology	Extrusion screws & barrels	130
City of McPherson	Municipal Government	124
Williams Energy Services	Petroleum storage & distribution	76
Battenfeld – Cincinnati (American Maplan)	Plastic Extrusion Equipment	70
CertainTeed Corporation (Molded Products)	Plastic injection moldings	70
Board of Public Utilities	Water & Electric Utility	69
Precision Industries, Inc.	Chrome plating, Metal finishing	60
Femco, Inc.	Housing construction products	60
Midwest Industries & Development, Inc.	Custom tooling	55
Aero Transportation Products (ATP)	Railroad equipment	52
McPherson Concrete Products	Ready mix concrete & products	50
Chemstar – McPherson Division	Industrial starch production	45
Cartridge King of Kansas, Inc.	Printer Cartridge remanufacturer	30
Mid America Pipeline / Enterprise Corp.	Common carrier pipeline	30
Cereal Food Processors, Inc.	Grain milling products	29
Industrial Electric Company	Electrical Contractor Services	28
Krehbiel's Specialty Meats, Inc.	Meat Processing	27
Plastics Extrusion Machinery, Inc.	Machinery and Tooling	27
Exterran	Specialty machine repair	27
Welco Services, Inc.	Piping & Equip Contractor	25
Central States Marketing & Manufacturing	Plastic product development	25
Mid Kansas Machine, Inc.	Metal work, Machine Shop	24

Industry in which Employed	Persons	Percentage
Educational services, and health care and social assistance	1,668	25.2%
Manufacturing	1,488	22.5%
Retail trade	698	10.5%
Finance and insurance, and real estate and rental and leasing	470	7.1%
Professional, scientific, and management, and administrative and waste management services	435	6.6%
Arts, entertainment, and recreation, and accommodation and food services	361	5.5%
Construction	332	5.0%
Other services, except public administration	278	4.2%
Transportation and warehousing, and utilities	275	4.2%
Public administration	223	3.4%
Agriculture, forestry, fishing and hunting, and mining	140	2.1%
Information	133	2.0%
Wholesale trade	116	1.8%

Industry in which Employed: Of McPherson's 6,617 employed civilians, 16 years and over, more than a quarter work in the category of "Educational services, and health care and social assistance". Nearly another quarter work in Manufacturing.

Unemployment

The 2007–2011 *American Community Survey 5-Year Estimate* defines the labor force as those individuals, 16 years old or older, who are employed or seeking employment.

Employment	McPherson		McPherson County		Kansas	
	Persons	%	Persons	%	Persons	%
Total Labor force	6,829	—	15,466	—	1,506,400	—
Employed / military	0	0.0%	20	0.1%	17,253	1.1%
Employed / civilian	6,617	96.9%	14,945	96.6%	1,393,658	92.5%
Unemployed	212	3.1%	501	3.2%	95,489	6.3%

Unemployment: In a time frame when the national unemployment rate was 8.7%, McPherson had an **unemployment rate of 3.1%**. The City had an unemployment rate less than half that of the state as a whole (6.3%).

Commuting

According to the *2007–2011 American Community Survey 5-Year Estimate*, out of 6,497 workers in McPherson, 16 years old or older, who commuted to work, commuting methods were as shown in the following table. The mean travel time to work for them was 11.0 minutes. The average commute time in the state as a whole was 18.9 minutes, and the average commute time nationally was 25.4 minutes.

Commuting	Persons	Percentage
Drove in car, truck or van—alone	5,499	87.1%
Drove in car, truck or van—carpooled	425	6.7%
Worked at home	208	3.3%
Walked	183	2.9%
Public transportation (excluding taxicab)	0	0.0%

Commuting: The great majority of McPherson workers (87.1%) commuted by vehicle, alone. The national average for driving alone was 76.1%, and overall in Kansas 81.3% of commuters drove alone.

Economic Development Programs

State programs to assist communities with economic development include PRIDE, SCIP, Chamber of Commerce, and McPherson Main Street Incentives Without Walls.

PRIDE: The Kansas Department of Commerce (KDOC) and Kansas State University Research and Extension administer the PRIDE program, providing technical assistance and training opportunities for local programs. PRIDE is a community-initiated effort that helps local leaders prepare for and manage change through a hands-on approach to community self-improvement. The program addresses such areas as planning, community services, and community enrichment. www.kansasprideprogram.ksu.edu

Small Communities Improvement Program (SCIP): The Kansas Department of Commerce offers grants of up to \$125,000 to small communities that are willing to put sweat equity into local improvement projects. The community provides local labor and equipment, and SCIP provides technical assistance and financial support. Eligible projects include city-sponsored farmers markets, parks and playgrounds, public restrooms, and walking trails, among others. This program is currently not funded, but it may be supported again during the course of the Planning Period. www.kansascommerce.com/index.aspx?NID=125

Additional information on the PRIDE and SCIP programs is available on the Kansas Department of Commerce website at www.kansascommerce.com.

McPherson Main Street: After the dissolution of the Kansas Main Street program in September of 2012 by Governor Brownback, the local program, McPherson Main Street, Inc., signed a Memorandum of Agreement with the Kansas Department of Commerce that allowed the existing Incentive Without Walls (IWW) funds and active loans to remain in McPherson. A local committee reviews applications under the supervision of the Main Street Board of Directors following specific guidelines set up in the Agreement. As funds are repaid, they go into a Revolving Loan Fund to be re-loaned again and again at 0% interest. Applications are available at the local Main Street office at 306 N. Main.