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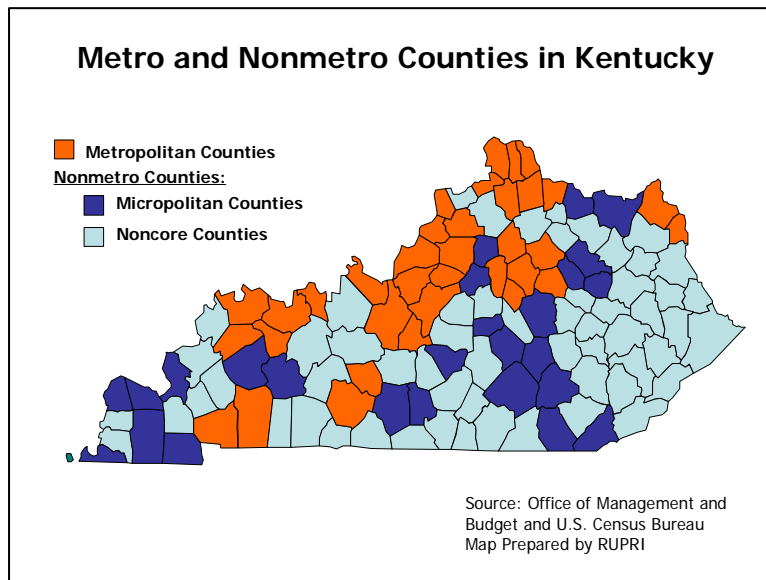
Demographic and Economic Profile

Kentucky

Updated June 2006

Metro and Nonmetro Counties in Kentucky

Based on the most recent listing of core based statistical areas by the Office of Management and Budget (December 2005), 35 counties in Kentucky are part of metropolitan areas, and 26 counties are part of micropolitan areas. The micropolitan category defines counties that include an urban area with a population of 10,000 to 49,999 plus surrounding counties that are linked through commuting ties. These areas often represent important economic and trade centers in rural areas. The remaining 59 counties in Kentucky are considered noncore counties. Using these classifications and the population estimates for 2005, 56.7 percent of Kentucky residents live in metropolitan areas, 18.9 percent live in micropolitan areas, and 24.4 percent live in noncore areas.

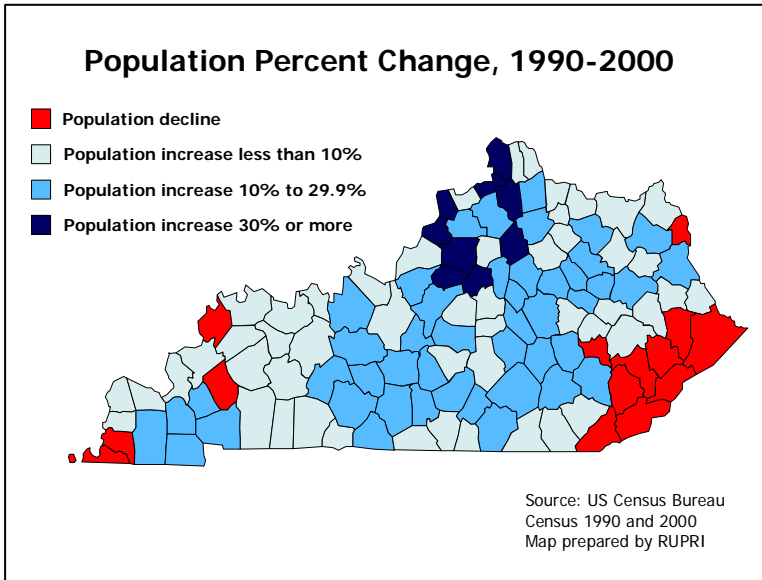


Population

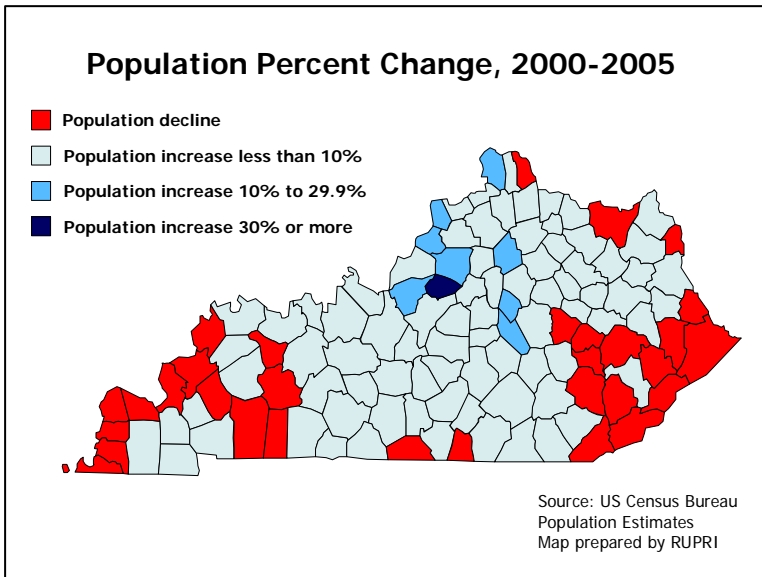
Kentucky's population in 2005 was 4,173,405, up 3.2 percent from the 2000 Census. During the 1990s, the population in Kentucky increased 9.6 percent. Nationally, population increased 13.1 percent during the 1990s, and 5.3 percent from April 2000 to July 2005. Population growth in Kentucky's metropolitan areas outpaced the nonmetropolitan areas in both time periods.

Percent Change in Population		
Area:	1990-2000	2000-2005
U.S.	13.1%	5.3%
Kentucky	9.6%	3.2%
Metropolitan	11.3%	4.1%
Nonmetropolitan	7.5%	2.1%
Micropolitan	10.2%	3.3%
Noncore	5.5%	1.2%

Source: U.S. Census Bureau

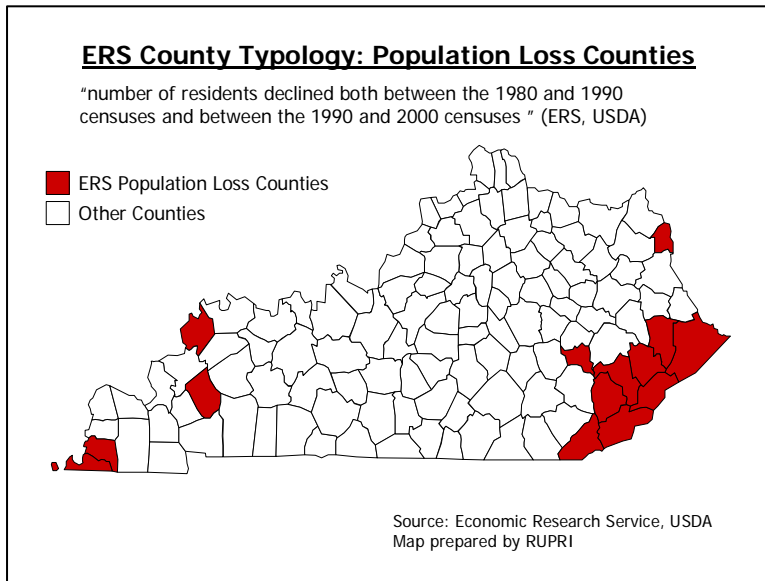


During the 1990s, 14 counties in Kentucky lost population (1 metro and 13 nonmetro counties). The fastest growth during this time was in Spencer County in the Louisville-Jefferson County Metropolitan Area, with a population increase of 73.0 percent during the 1990s.



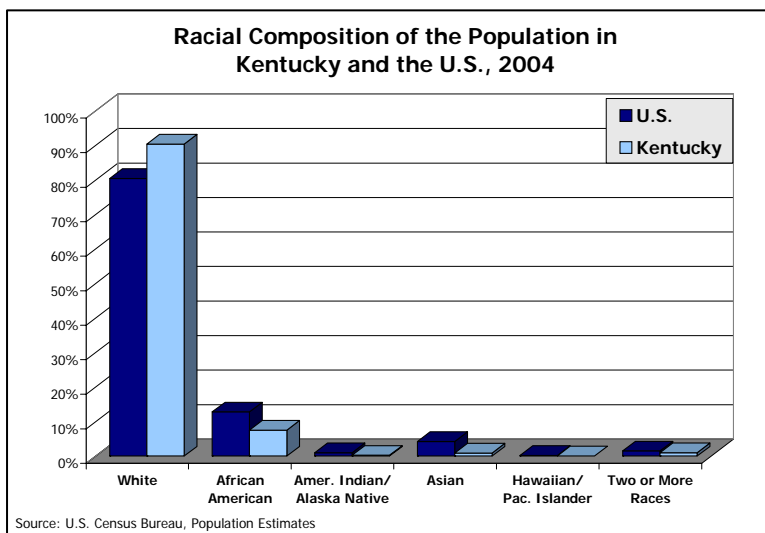
From 2000 to 2005, 31 counties in Kentucky lost population (4 metro and 27 nonmetro counties). Again, the fastest growth was in Spencer County, increasing 33.0 percent during this time period.

The Economic Research Service, USDA, classifies counties as population loss counties if the population declined from 1980 to 1990 and from 1990 to 2000. In Kentucky, 14 counties are classified as population loss counties; almost all of them (13) are nonmetro.

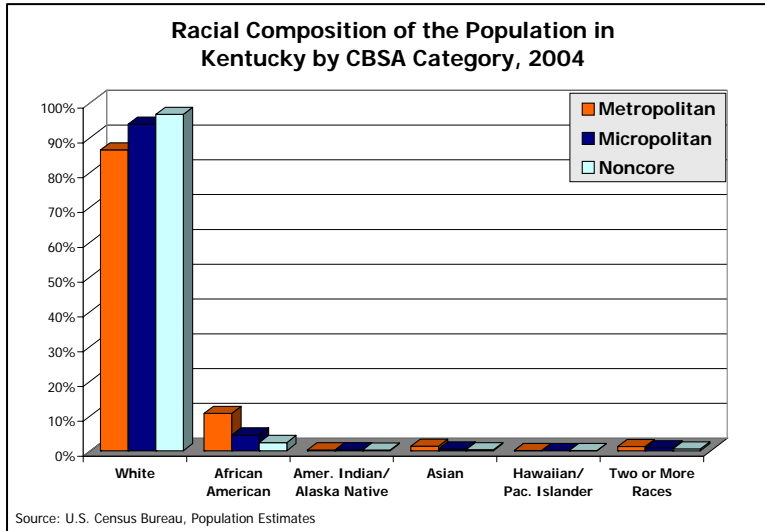


Race / Ethnicity

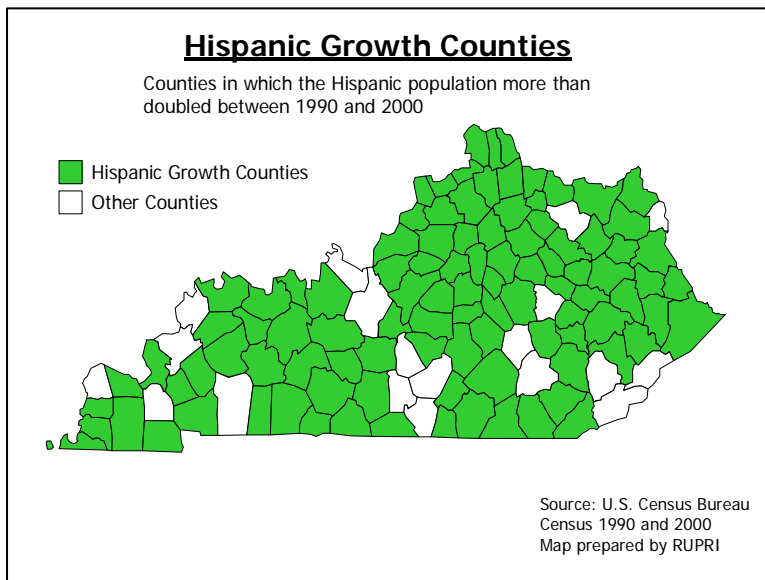
The population in Kentucky is 90.4 percent white and 7.5 percent African American. Nationally, the population is 80.4 percent white and 12.8 percent African American (2004 Census Bureau estimates).



Within Kentucky, the metropolitan population is 86.5 percent white and 10.7 percent African American. The micropolitan population is 93.9 percent white and 4.5 percent African American, and the noncore population is 96.7 percent white and 2.3 percent African American.

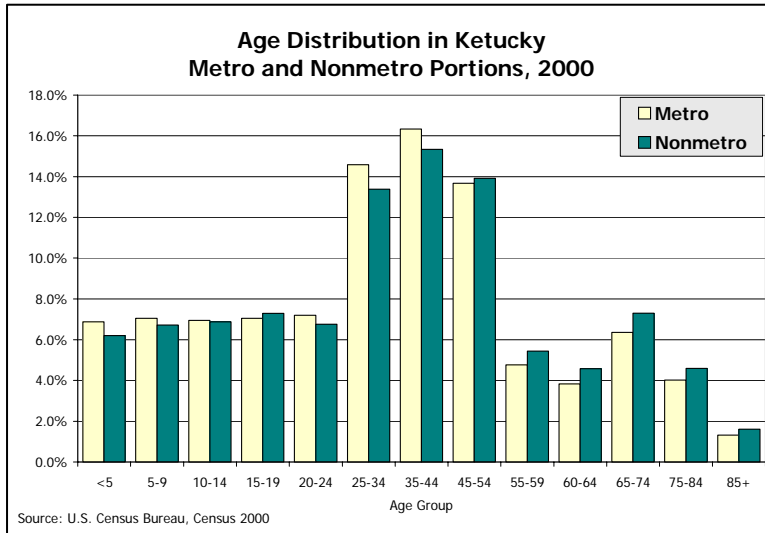


People of Hispanic origin make up 1.9 percent of Kentucky’s population, compared to 14.1 percent of the total U.S. population. Many counties have experienced significant increases in the Hispanic population over the past decade and a half. The map below shows the counties in which the Hispanic population more than doubled during the 1990s. In many of these counties, though, these numbers still represent small portions of total population. In only one Kentucky county did the Hispanic population account for over 5 percent of total population (Shelby County, 7.6%).

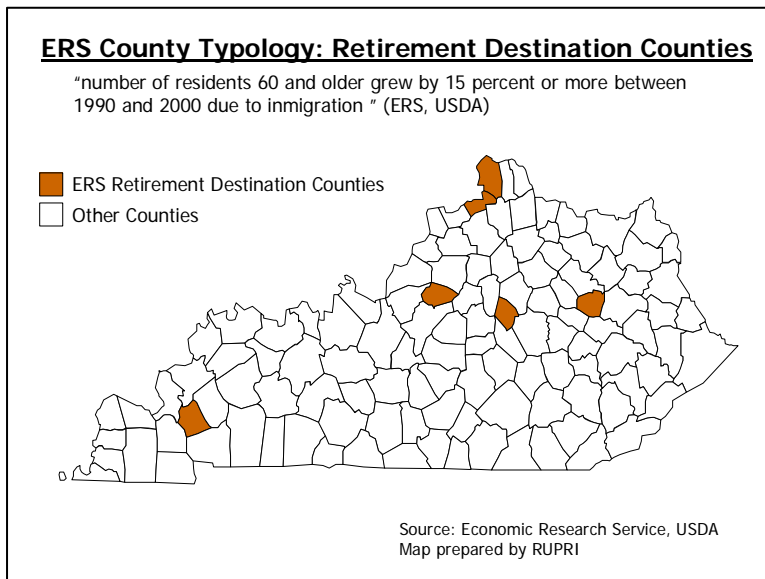


Age

The age distribution of the metro and nonmetro population in Kentucky is shown in the chart below. The percent of the population in the 25 to 44 age groups is greater in the metro areas, while the percent of population age 55 and over is greater in the nonmetro areas.

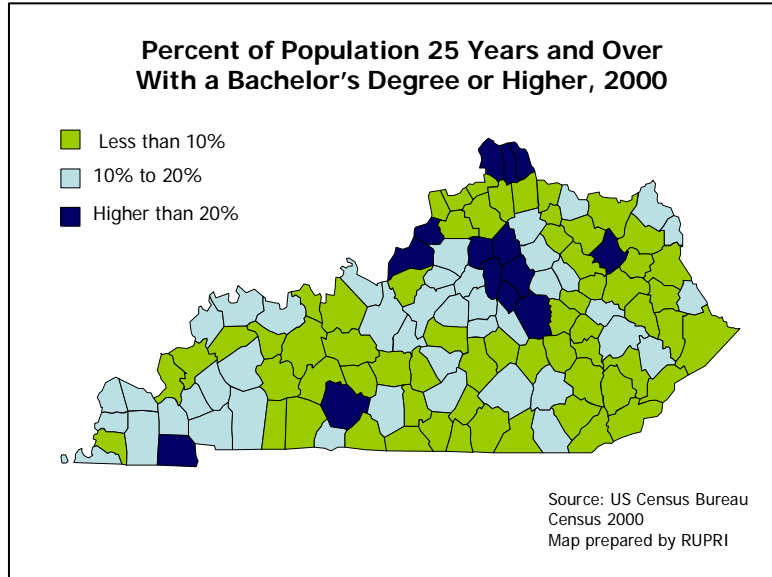


The Economic Research Service classifies counties as retirement destination counties based on population change due to immigration. Six counties in Kentucky are classified as retirement destination counties (4 metro and 2 nonmetro).

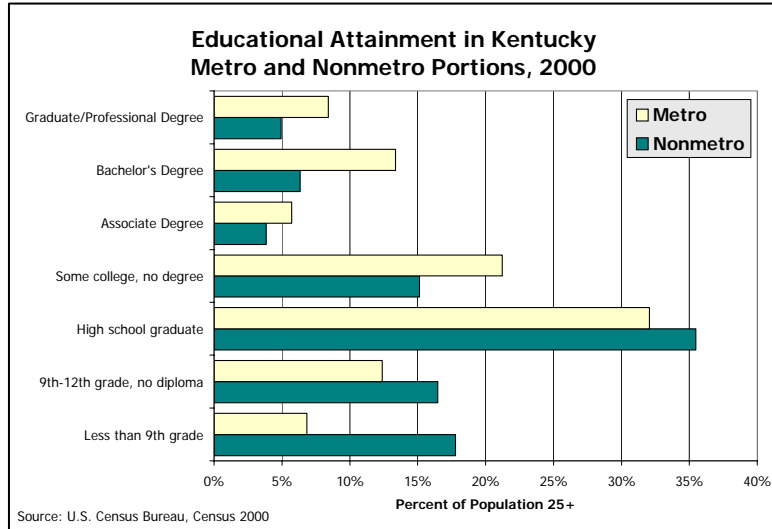


Educational Attainment

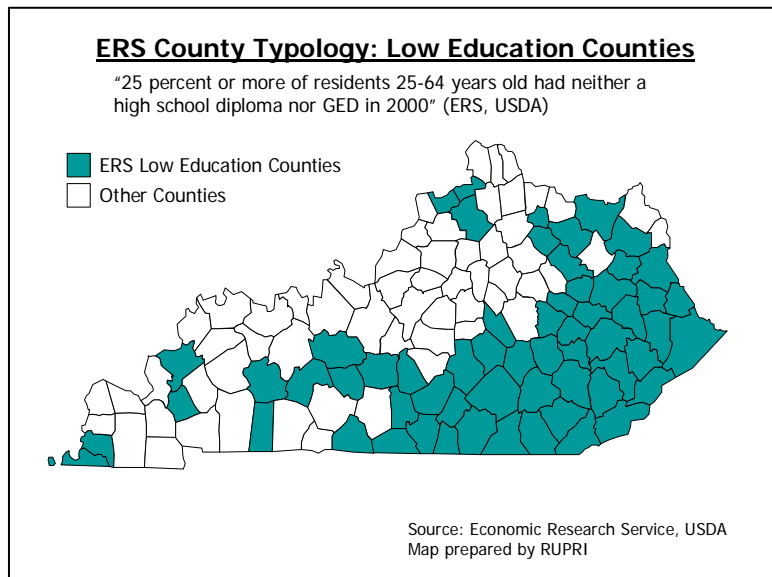
The percent of the population age 25 and over that has earned a Bachelor's degree or higher is 24.4 percent in the U.S. and 17.1 percent in Kentucky. In metro areas of Kentucky, this percentage is 21.8 percent, compared to only 11.3 percent in nonmetro areas.



The chart to the right compares the educational attainment of Kentucky's metro and nonmetro populations. The percent of the population with high educational attainment (B.S. degree or higher) is greater in the metro areas, while the percent of the population with low educational attainment (high school degree or lower) is greater in the nonmetro areas.

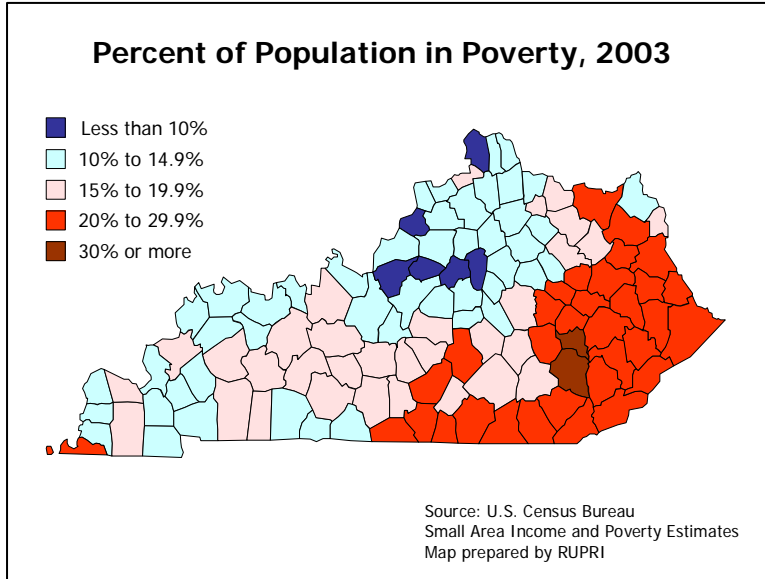


The Economic Research Service classifies counties as low education counties if "25 percent or more of residents 25-64 years old had neither a high school diploma nor GED in 2000." In Kentucky, 60 counties are classified as low education counties, and the majority of them (58) are nonmetro.

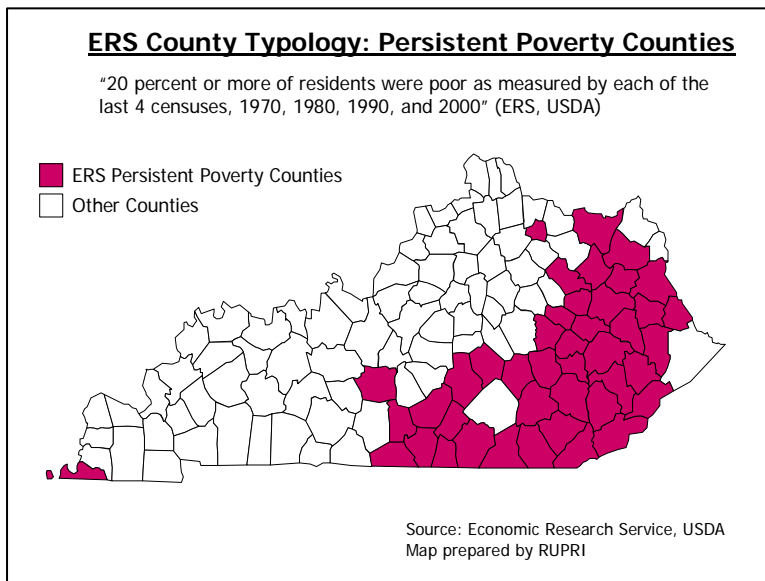


Poverty

The poverty rate in Kentucky in 2003 was 14.9 percent, compared to 12.5 percent for the U.S. (Census Bureau estimates). The poverty rate in Kentucky counties ranged from 5.9 percent in Oldham County to 31.9 percent in Owsley County.

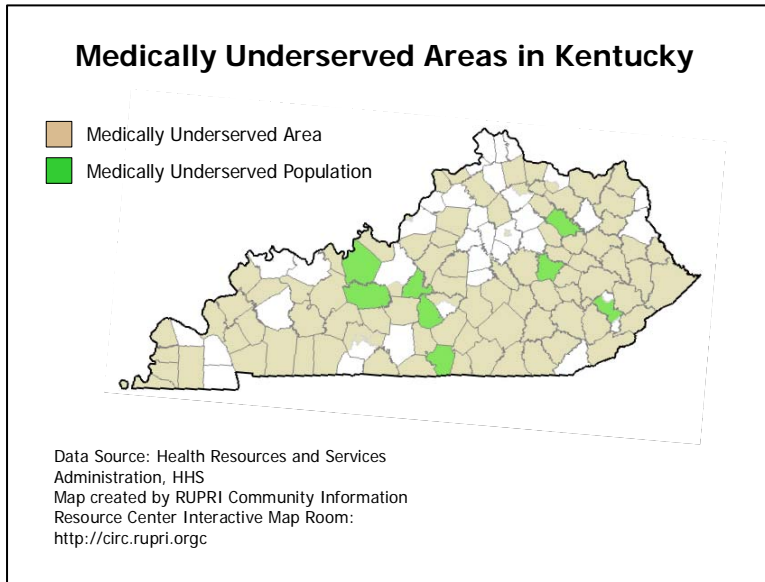


The Economic Research Service classifies counties as persistent poverty counties if they experienced poverty rates of 20 percent or higher in each Census from 1970 through 2000. There are 386 persistent poverty counties in the U.S., and 43 are located in Kentucky. All 43 Kentucky persistent poverty counties are nonmetro.

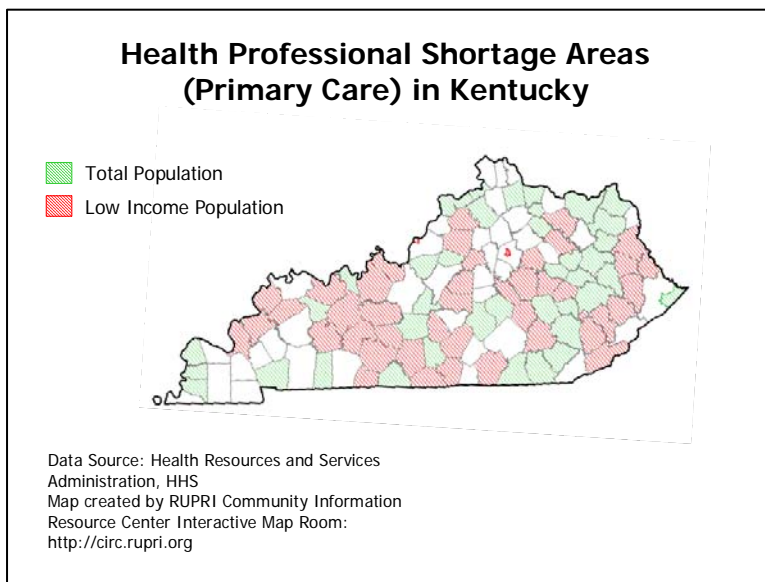


Health Services

The designation of areas or populations as medically underserved is based on an index of four variables - the ratio of primary care physicians per 1,000 population, the infant mortality rate, the percent of the population with incomes below the poverty level, and the percent of the population age 65 and over (Health Resources and Services Administration, HHS). Within Kentucky, many areas of the state are considered medically underserved, shown in the map below.

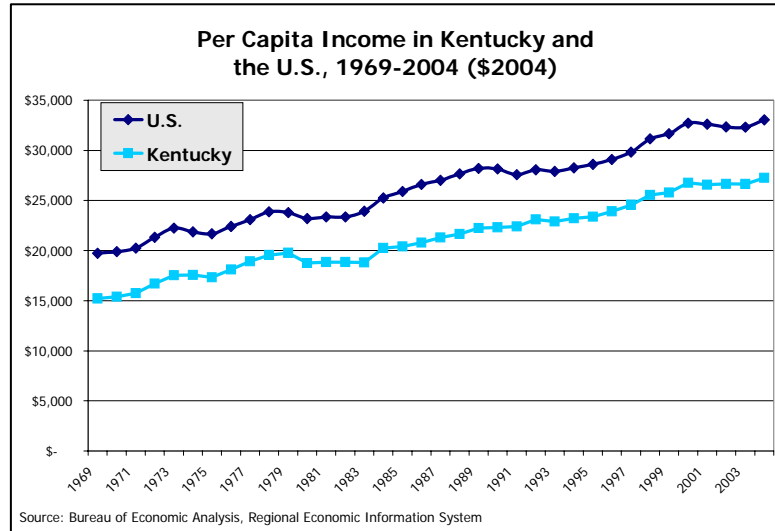


Health Professional Shortage Areas (HPSAs) are those areas that “may have shortages of primary medical care, dental or mental health providers and may be urban or rural areas, population groups, or medical or other public facilities” (Health Resources and Services Administration, HHS). Within Kentucky, several areas in the state are designated as primary care HPSAs for the total or low income populations.

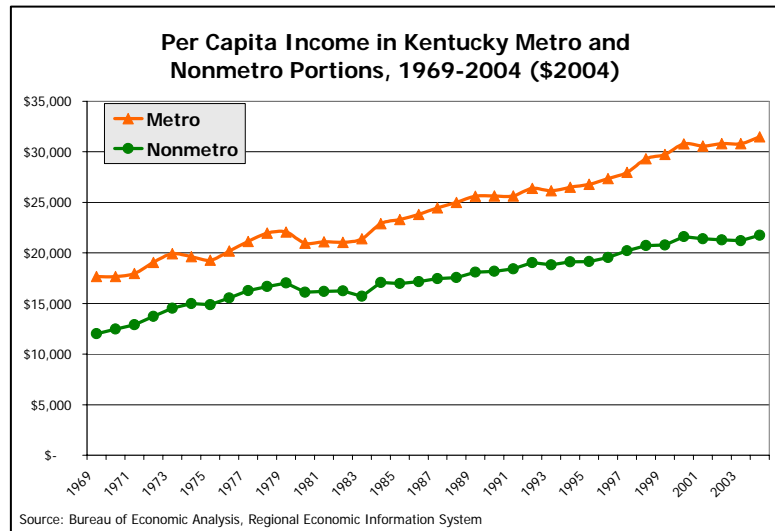


Per Capita Income

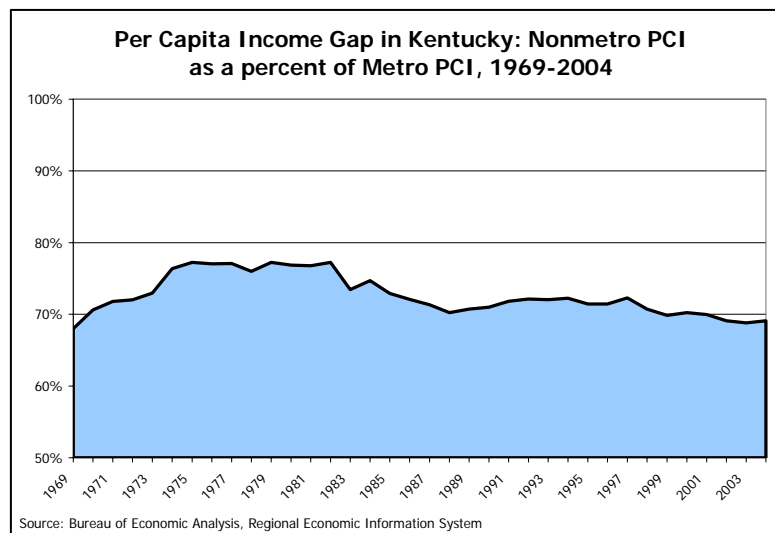
Per capita income in Kentucky has lagged behind the nation for the past several decades. In 2004, per capita income in Kentucky was \$27,265, compared to \$33,050 for the U.S.



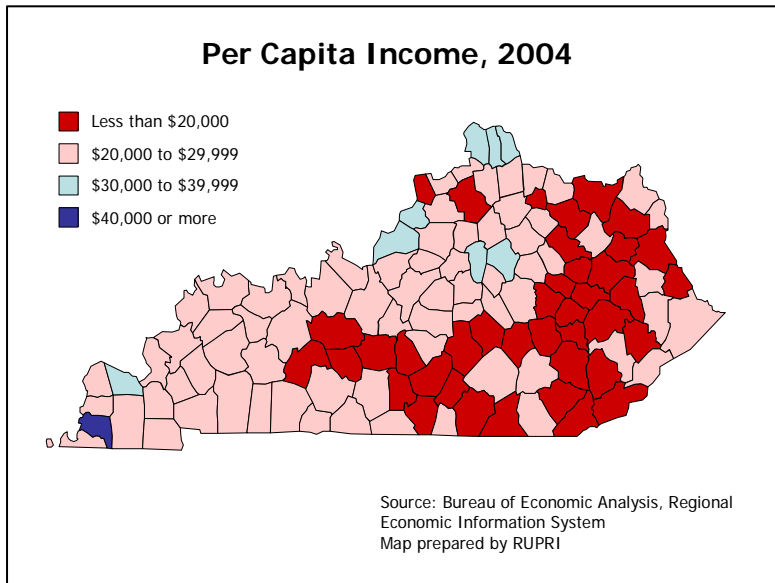
Nonmetro per capita income in Kentucky has lagged behind metro throughout the past several decades. In 2004, metro per capita income was \$31,486, compared to \$21,756 in nonmetro areas.



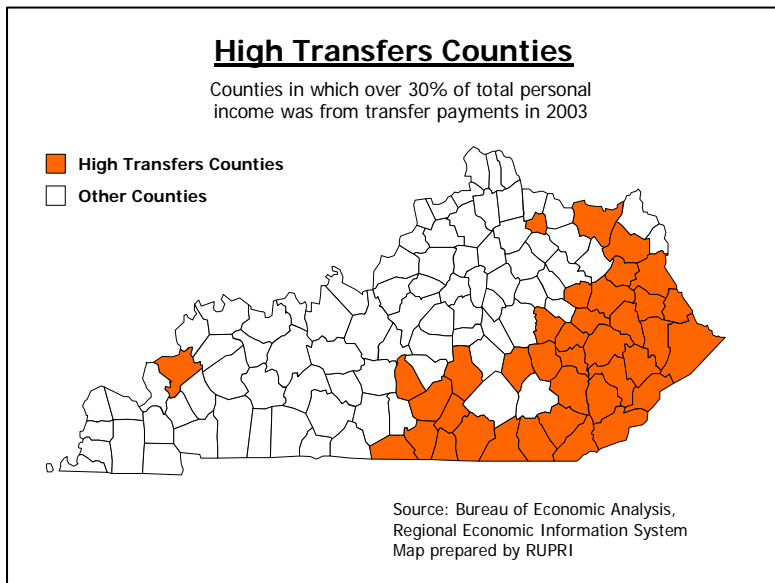
The per capita income gap is measured with nonmetro per capita income as a percent of metro per capita income. In Kentucky, the gap was at its smallest in 1975 and at its largest in 1969. In 2004, nonmetro per capita income was 69.1 percent of metro per capita income.



Within Kentucky, 2004 per capita income ranged from \$15,392 in Elliott County to \$43,030 in Hickman County. Forty counties in Kentucky had per capita income less than \$20,000 in 2004; most of them (38) are nonmetro counties.

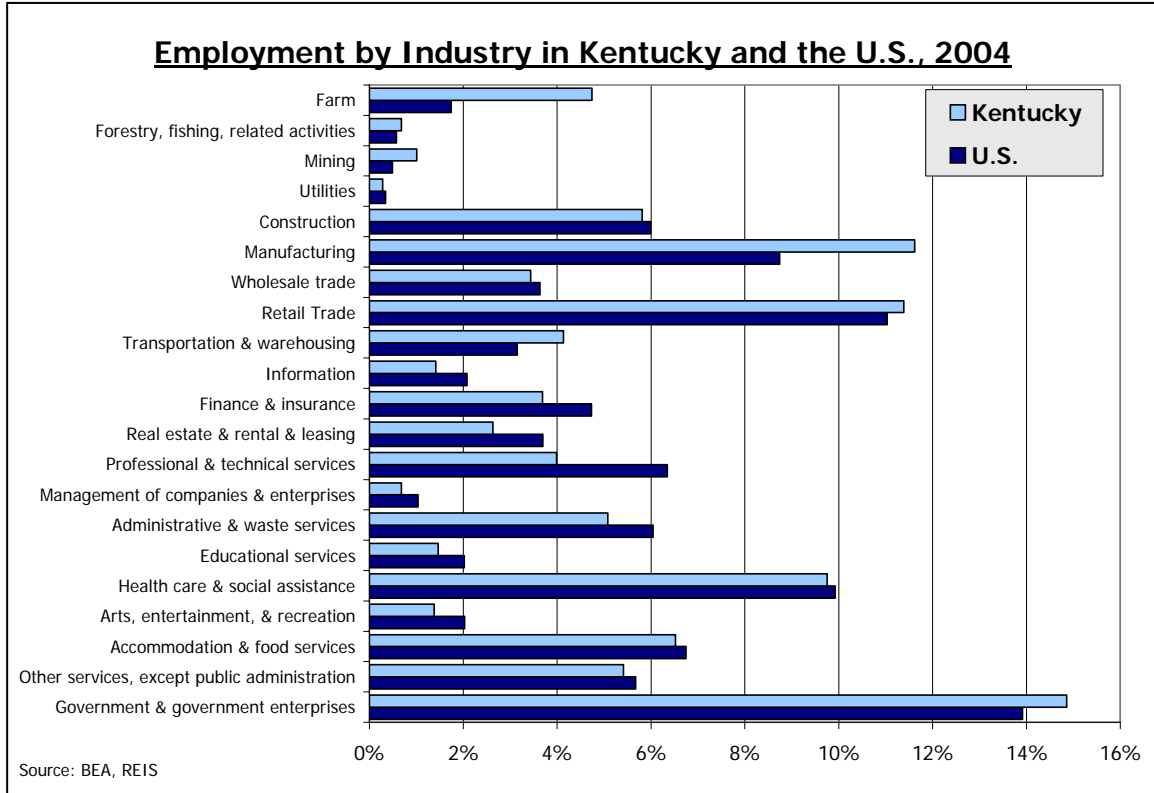


Transfer payments include retirement and disability payments, social security benefits, public assistance, and medical benefits. In Kentucky, many counties' incomes rely significantly on transfer payments. In these 38 counties, shown in the map below, transfer payments account for over 30 percent of total personal income in the county. All of these counties are nonmetro counties.

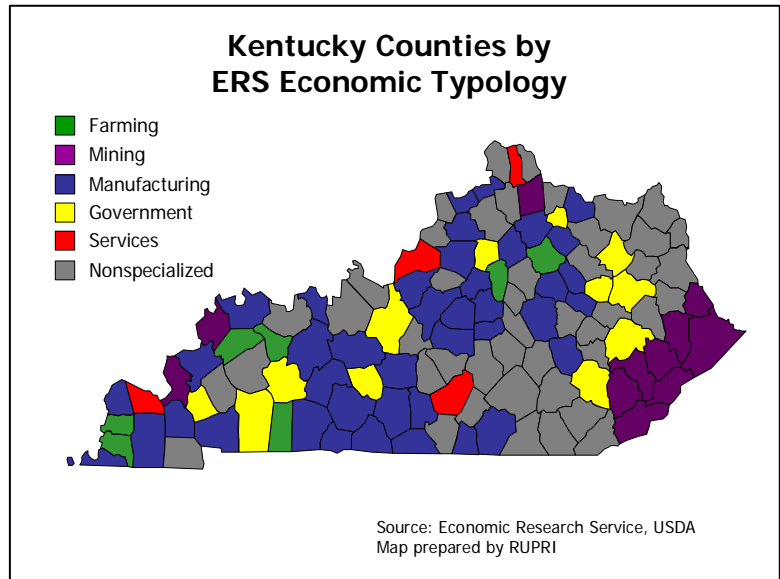


Employment Structure

In 2004, government and government enterprises accounted for the largest shares of employment in Kentucky (14.9%) and the U.S. (13.9%). Manufacturing was the second largest employment sector in Kentucky, accounting for 11.6 percent of employment.

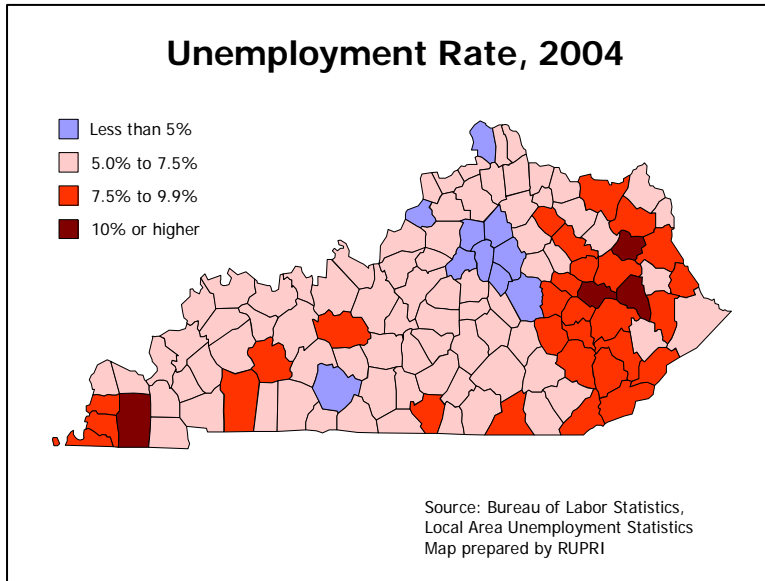


The ERS Economic Typology classifies counties into one of five industry categories of specialization or as nonspecialized. The map to the right shows the classification of Kentucky counties by this typology. The map illustrates the importance of mining in the southeast part of the state, and of manufacturing throughout the state.

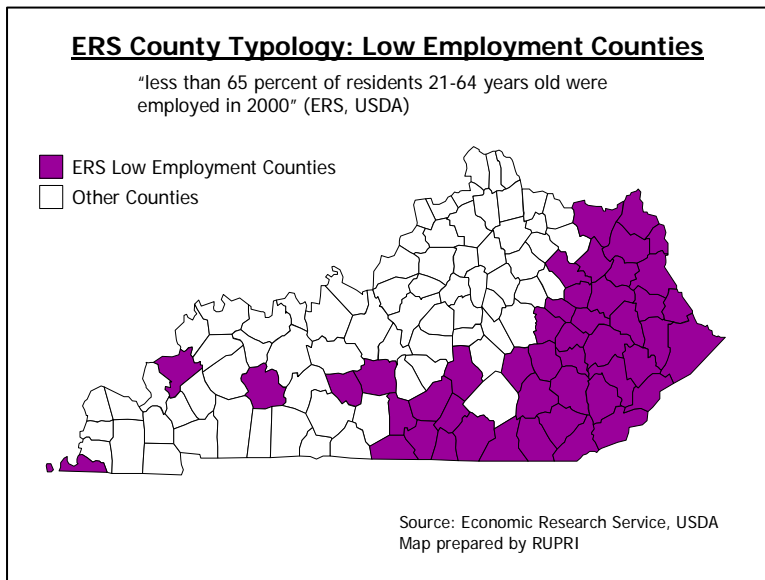


Unemployment

In 2005 the unemployment rate in Kentucky was 6.1 percent, compared to 5.1 percent for the nation. Within Kentucky, the unemployment rate ranged from 4.1 percent in Woodford County to 12.3 percent in Magoffin County.

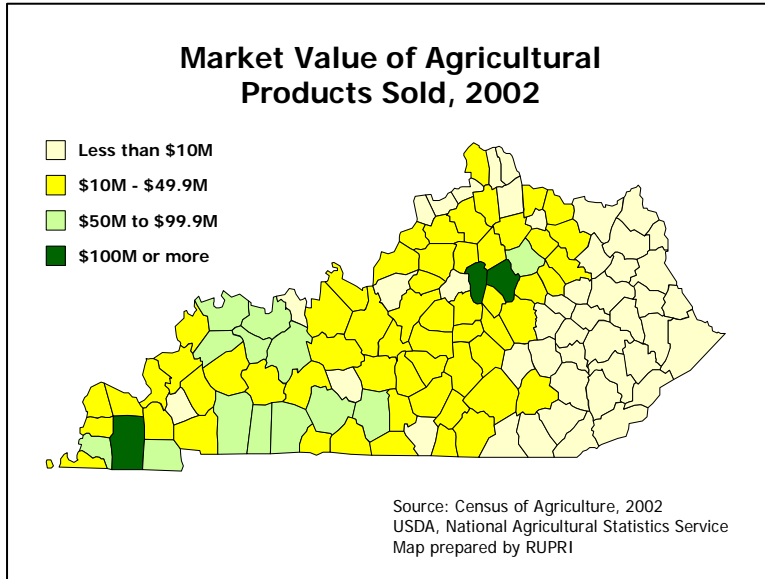


The Economic Research Service classifies counties as low employment counties if “less than 65 percent of residents 21-64 years old were employed in 2000.” In Kentucky, 47 counties are classified as low employment counties (3 metro and 44 nonmetro counties).

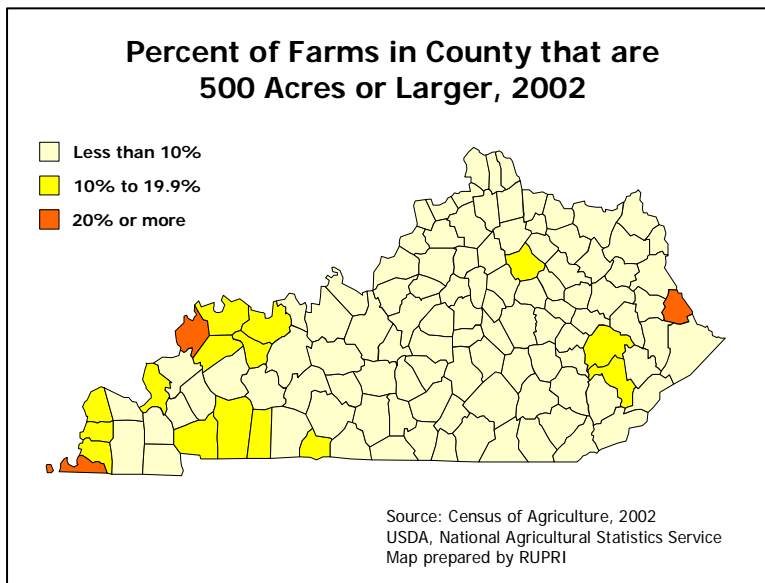


Agriculture

Agriculture is an important industry in several parts of Kentucky, and seven counties are classified by the Economic Research Service as farming dependent (see map on page 11). The map below shows the value of agricultural products sold in 2002 for Kentucky counties. In three counties the value was over \$100 million.

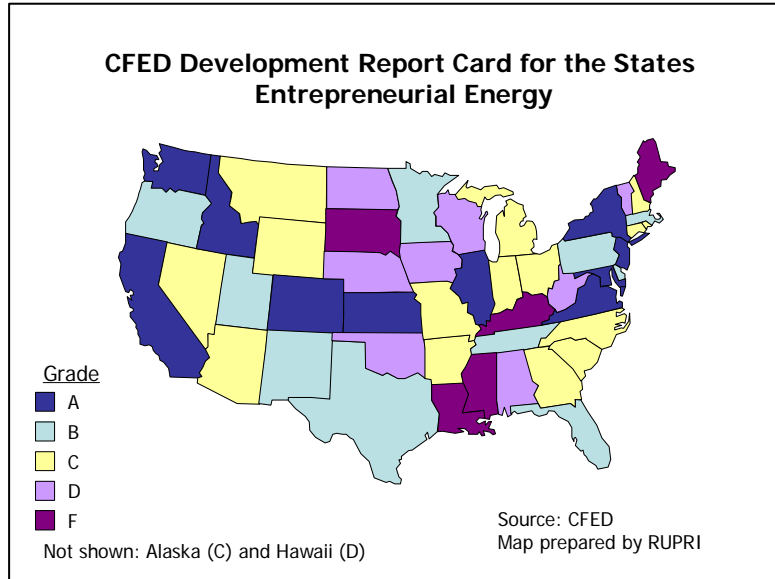


Average farm size in Kentucky is 160 acres, and 5.6 percent of farms are 500 acres or larger. Large farms (500 acres or more) make up over 20 percent of farms in only three Kentucky counties.

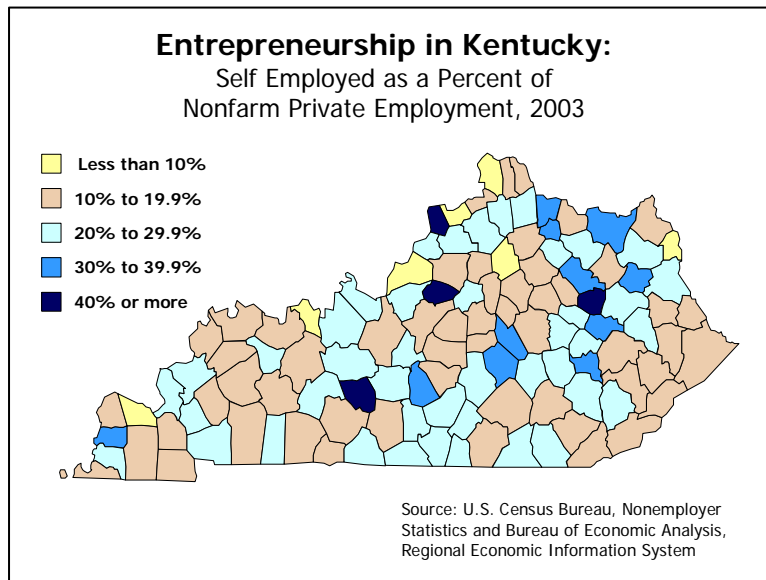


Entrepreneurship

Entrepreneurship is an important component to economic development today. Unfortunately, data that allow us to measure entrepreneurial activity and trends is difficult to ascertain, particularly at the county level. The CFED *Development Report Card for the States* rates each state on its entrepreneurial energy, “evaluating the extent to which new firms are generated and whether they are contributing to employment growth.” While this is a state-level ranking, it provides useful insight as to how a state is performing. Kentucky’s ranking shows room for improvement.

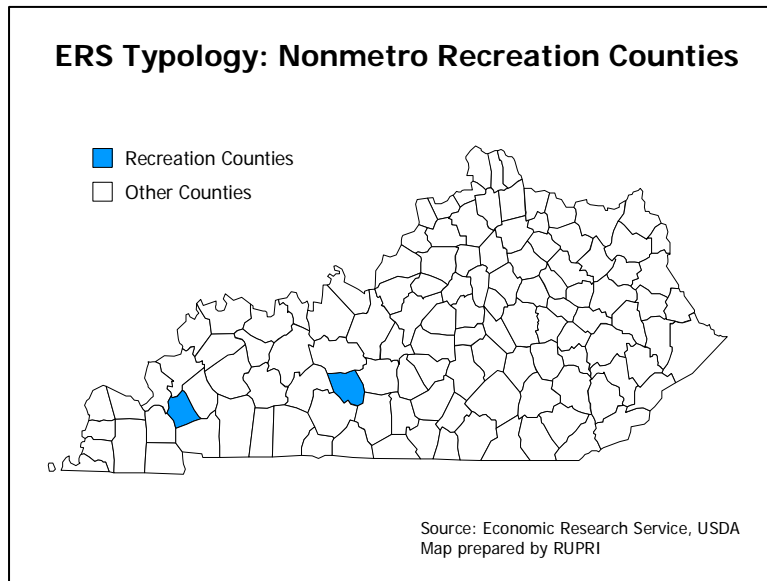


As mentioned, county level indicators of entrepreneurship are difficult to ascertain, but a good indicator is the proportion of workers that are self employed. The map below shows self employed workers as a percent of nonfarm private employment in the county. In four counties, self employed accounted for over 40 percent of nonfarm private employment (3 metro and 1 nonmetro).



Nonmetro Recreation Counties

The Economic Research Service's classification of nonmetro recreation counties captures the recreational opportunities and development in many rural parts of the nation. The classification is based on a number of factors, including employment and income derived from recreation-related activities, seasonal housing units within the county, and receipts from hotels and motels. Nationally, 334 counties are classified as nonmetro recreation counties, and two are located in Kentucky. Counties that were nonmetro in 1993 or in 2003 are classified. Edmonson County was nonmetro in the 1993 classifications, and changed to metro for the 2003 classifications.



Data Sources and References

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<http://www.ers.usda.gov/Briefing/Rurality/Typology/>

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<http://www.bhpr.hrsa.gov/shortage/>

National Agricultural Statistics Service, USDA.

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http://www.nass.usda.gov/Census_of_Agriculture/index.asp

Office of Management and Budget, Statistical Area Definitions and Guidance on Their Uses

<http://www.whitehouse.gov/omb/bulletins/fy05/b05-02.html>

RUPRI Community Information Resource Center Interactive Map Room

<http://circ.rupri.org/>

U.S. Census Bureau

Census 2000

<http://www.census.gov/main/www/cen2000.html>

Population Estimates

<http://www.census.gov/popest/estimates.php>

Metropolitan and Micropolitan Area Classifications

<http://www.census.gov/population/www/estimates/metrodef.html>

Nonemployer Statistics

<http://www.census.gov/epcd/nonemployer/>

Small Area Income and Poverty Estimates

<http://www.census.gov/hhes/www/saibe/saibe.html>

For Comments and Questions on this Report:

Kathleen K. Miller
RUPRI Program Director
(573) 882-5098
miller@rupri.org

Contact RUPRI

Rural Policy Research Institute
Truman School of Public Affairs
University of Missouri-Columbia
214 Middlebush Hall
Columbia, MO 65211
(573) 882-0316 Voice
[573] 884-5310 FAX

<http://www.rupri.org>