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The Pittsburg Micropolitan Area Economic Report, Quarter 3, 2021

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THE PITTSBURGH MICROPOLITAN AREA ECONOMIC REPORT

Manufacturing Impact On The Local Economy

Manufacturing creates more value added (wages, proprietor income, profits, and taxes) than any other industry in the Pittsburgh micropolitan area. In 2019 (the last year before the economy was affected by the pandemic), manufacturing had the largest payroll of all private local industries, was the second largest private employer, and paid the third highest wages. The value of average fringe benefits (healthcare, employer's 401k contribution, etc.) was almost 32.0 percent of the average compensation package. Manufacturing also contributed more than any other industry to local wealth creation, generating 17.0 percent (\$276.5 million) of all value added in the Pittsburgh micro-

politan area, an increase of 22.5 percent from 2015, and had \$106,559 in value added per worker (up 23.9 percent).

Pitt Plastics is a local manufacturing firm in the plastics industry (NAICS 32611). The industry is consolidated with many large-scale operators with approximately 36.4 percent of the industry being plastic bag manufacturing. In 2019, the industry posted total revenues of \$40.8 billion including \$8.9 billion in exports, employing 101,846 people and had a profit margin of 6.2 percent before interest and taxes.

Pitt Plastics, which produces plastic bags sold mostly out of state, provided 300 local jobs in 2019, with an estimated payroll of \$17,808,730 (wages plus

benefits) and \$931,298 in county and sub-county taxes. The extended impact of Pitt Plastics is significant on the local economy, resulting in an additional 178 jobs in local supplier industries (and professional services) with \$7,256,062 in payroll and \$866,081 in local county and sub-county taxes. Furthermore, the impact on local spending by employees supports an additional 84 local jobs with \$2,960,174 in payroll and \$358,544 in local county and sub-county taxes.

The overall annual economic impact by Pitt Plastics on the Pittsburgh micropolitan area economy is a total of 562 jobs with \$28,024,970 in payroll, and \$2,155,922 in local county and sub-county taxes.

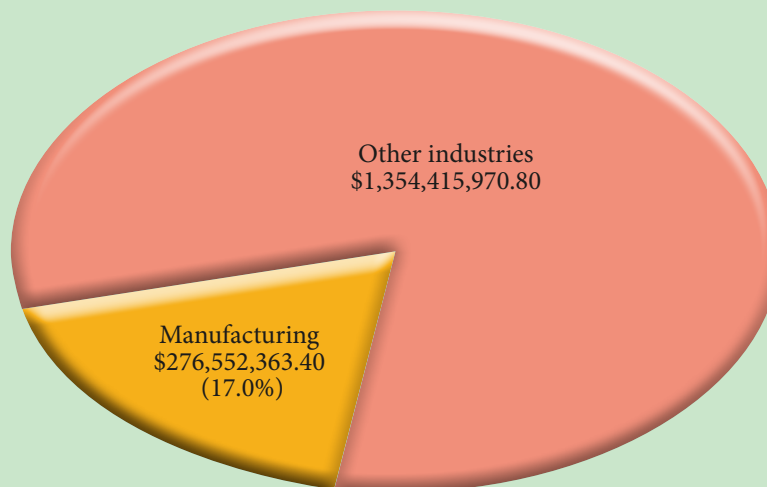
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Pittsburgh State University

Gross Domestic Product 2019 Pittsburg Micropolitan Area



Source: IMPLAN

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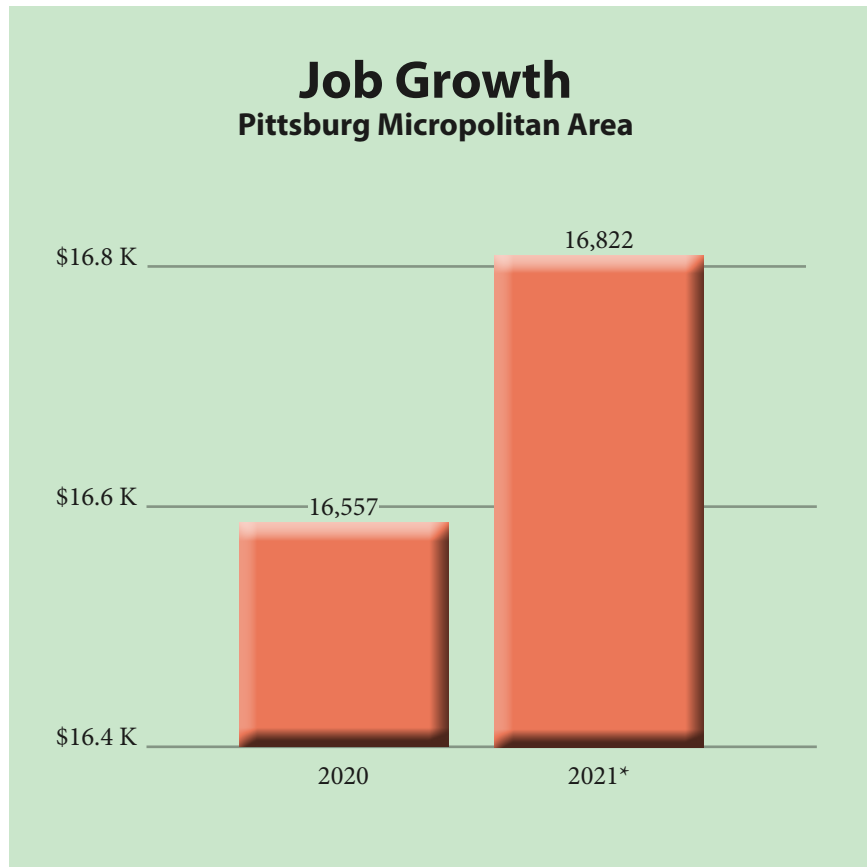


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ECONOMIC SUMMARY

The local economy was very healthy during the first quarter of 2020. Small businesses were impacted most by the COVID-19 recession, and the Pittsburgh micropolitan area economy includes a large proportion of small businesses, with 23.1 percent of total jobs occurring in businesses that employ fewer than 20 employees (84.2 percent of all businesses in the micropolitan area). The latest information available shows that during the first quarter of 2021 the number of local jobs declined 2.4 percent from the first quarter of 2020, but the future looks good. The number of jobs in the Pittsburgh micropolitan area is projected to increase 1.6 percent in 2021, according to Woods & Poole. However, many local businesses in growth mode are struggling to find employees, and that is a nationwide problem.

The latest information from the Bureau of Labor Statistics shows that there are almost 11 million unfilled job openings nationwide, especially in health care, social assistance, and finance, and the accommodation and food industries. The employment-population ratio was 57.9 percent during the first eight months of 2021, down from 60.6 percent during the first eight months of 2019, with the labor force declining 2.3 million during the period. Why people are not rejoining the labor force is still a matter of speculation.



*Projections

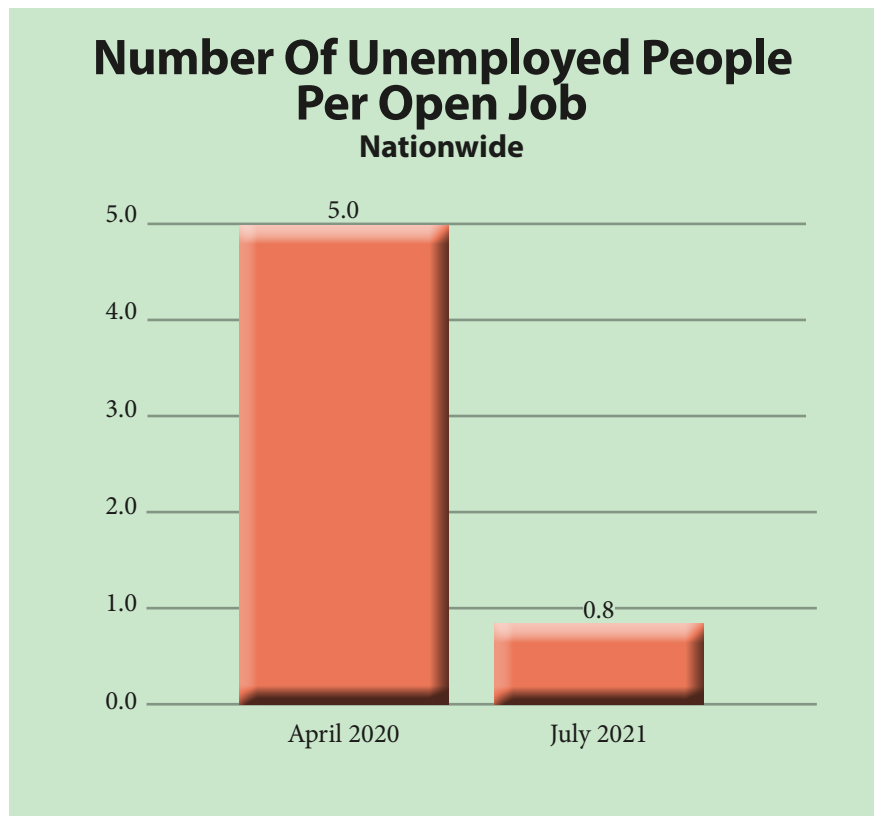
Source: Bureau of Labor Statistics, W&P Projections

UNEMPLOYMENT

The latest information from BLS shows that there are 0.8 unemployed persons per job opening in July. The average unemployment rate was 6.0 percent nationwide during the first eight months of 2021, down from 8.7 percent during the same period in 2020. However, some industries with a high proportion of unskilled labor are struggling in the pandemic.

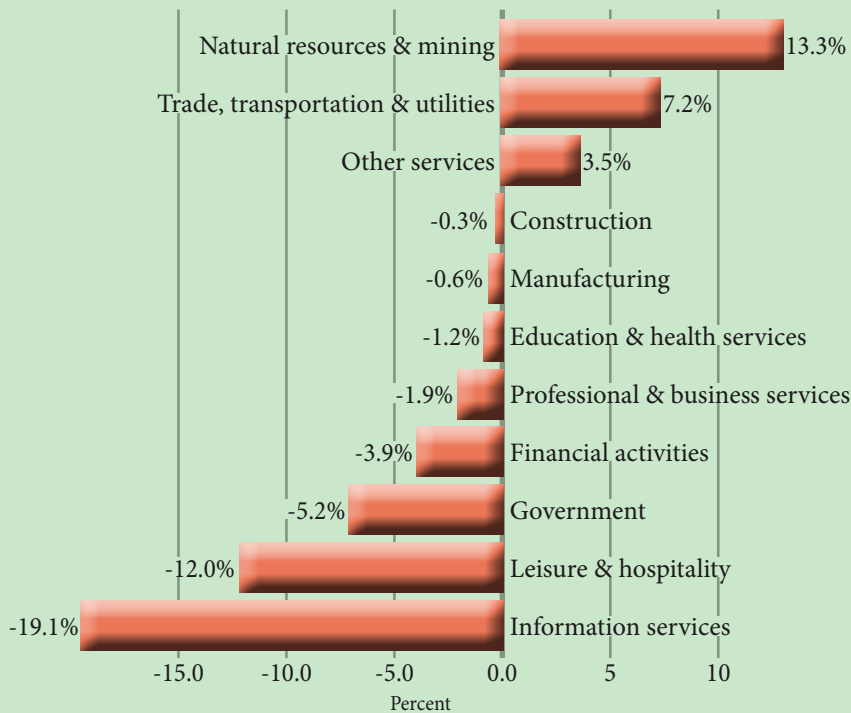
For example, BLS reports that 14.5 percent of people whose last job was in the Accommodation Industry are not working at this time. Some companies are responding to this situation with various creative programs; Amazon, for example, stopped testing job seekers for marijuana, and CVS dropped the requirement that employees be high school graduates.

The average unemployment rate during 2021 was 3.5 percent for people with a bachelor's degree or higher, 5.8 percent for people with some college or an associate degree, 6.9 percent for high school graduates with no college, and 9.4 percent for people without a high school diploma. The average unemployment rate was 5.3 percent for whites, 5.6 percent for Asians, 7.6 percent for Hispanics, and 9.4 percent for blacks. The unemployment rate was 4.2 percent statewide during the period and 4.0 percent in the Pittsburgh micropolitan area.



Source: Bureau of Labor Statistics

Growth In Jobs - Q1'20 - Q1'21 Pittsburg Micropolitan Area



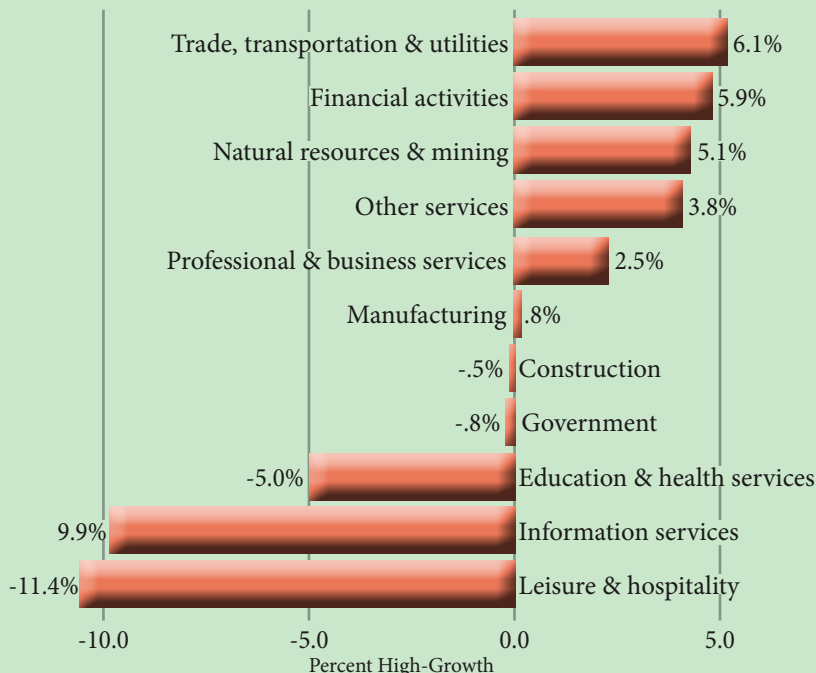
Source: Bureau of Labor Statistics

JOB GROWTH BY INDUSTRY

Three local industries added jobs during the first quarter of 2021. Natural Resources and Mining had the highest percentage growth in jobs, posting 102 jobs during the first quarter, up 13.3 percent from the first quarter of 2020 (up 12 jobs), followed by Trade, Transportation and Utilities with 2,859 jobs, up 7.2 percent (up 193 jobs); Other Services (automobile repair, dry cleaning, etc.) with 226 jobs, up 3.5 percent (up 8 jobs). Eight industries lost jobs during the period. Construction posted 678 jobs, down 0.3 percent (down 2 jobs); Manufacturing posted 2,596 jobs, down 0.6 percent (down 16 jobs); Education and Health Services posted 2,352 jobs, down 1.2 percent (down 29 jobs); Professional and Business Services posted 1,248 jobs, down 1.9 percent (down 24 jobs); Government (all levels) posted 4,032 jobs, down 5.2 percent (219 jobs); Financial Activities posted 430 jobs, down 3.9 percent (down 17 jobs); Leisure and Hospitality Services posted 1,828 jobs, down 12.0 percent (down 249 jobs); and Information Services posted 240 jobs, down 19.1 percent (down 57 jobs).

Overall, the goods-producing industries, with 149 establishments in the Pittsburg micropolitan area, posted 3,376 jobs, down 0.2 percent (down 6 jobs), and the service-producing industries, with 764 establishments, posted 9,181 jobs, down 1.9 percent (down 175 jobs).

Growth In Payroll - Q1'20 - Q1'21 Pittsburg Micropolitan Area



Source: Bureau of Labor Statistics

PAYROLL GROWTH BY INDUSTRY

Trade, Transportation, and Utilities posted \$26.9 million in payroll in the Pittsburg micropolitan area during the first quarter, up 6.1 percent from the first quarter of 2020 (up \$1.5 million), followed by Financial Activities, with a total payroll of \$4.8 million, up 5.9 percent (up \$0.3 million); Natural Resources and Mining, with a total payroll of \$0.9 million, up 5.1 percent (up \$0.05 million); Other Services with a total payroll of \$1.5 million, up 3.8 percent (up \$0.1 million); Professional and Business Services, with a payroll of \$14.5 million, up 2.5 percent (up \$0.3 million); Manufacturing, with a payroll of \$29.2 million, up 0.8 percent (up \$0.2 million); Construction, with a payroll of \$7.8 million, down 0.5 percent (down \$0.05 million); Government (all levels), with a payroll of \$37.6 million, down 0.8 percent (down \$0.3 million); Education and Health Services, with a payroll of \$24.4 million, down 5.0 percent (down \$1.3 million); Information Services, with a payroll of \$3.4 million, down 9.9 percent (down \$0.4 million); and Leisure and Hospitality Services, with a payroll of \$7.0 million, down 11.4 percent (down \$0.9 million).

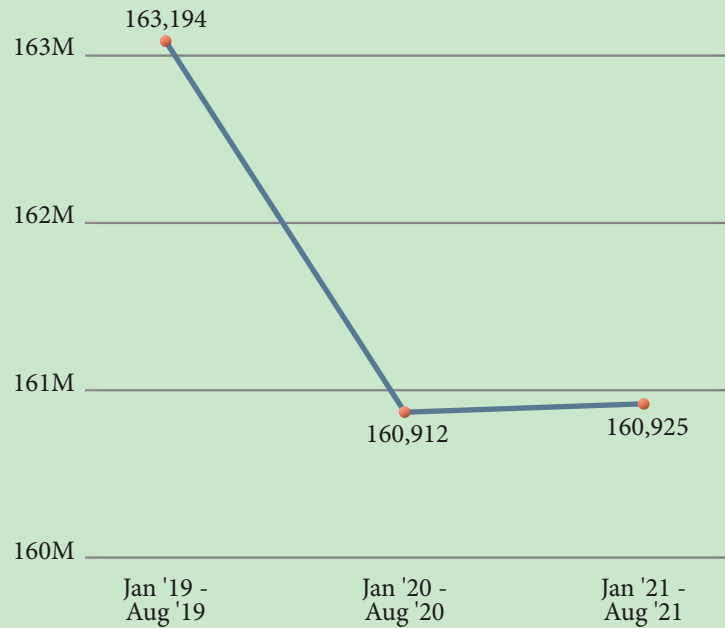
Thanks to strong performance in the local goods-producing industries, total payroll increased an overall 0.6 percent increase in payroll over the first quarter in 2020.

LABOR FORCE

The national labor force has shown little growth in 2021. During the first eight months of 2021, the average monthly national labor force was 160.9 million, up 0.0 percent (up 13,000) from the first eight months of 2020. Average labor force participation nationwide during the period was 61.6 percent, down 0.3 percentage points from 2020 and 1.5 percentage points from 2019. The labor force participation rate was 72.2 percent during the period for people with a bachelor's degree or higher, 63.0 percent for people with some college or an associate degree, 55.2 percent for people with only a high school diploma, and 44.7 percent for people with less than a high school diploma.

The labor force participation rate was 65.3 percent for Hispanics, 63.3 percent for Asians, 61.5 percent for whites, and 61.0 percent for blacks. By contrast, the labor force increased to 1.5 million in Kansas during the first eight months of 2021 (up 1.1 percent) and increased to 18,993 in the Pittsburg micropolitan area (up 0.7 percent). The labor force in Kansas is the 10th hardest-working labor force nationwide according to WalletHub, which should make Kansas attractive to employers.

Labor Force Nationwide Average



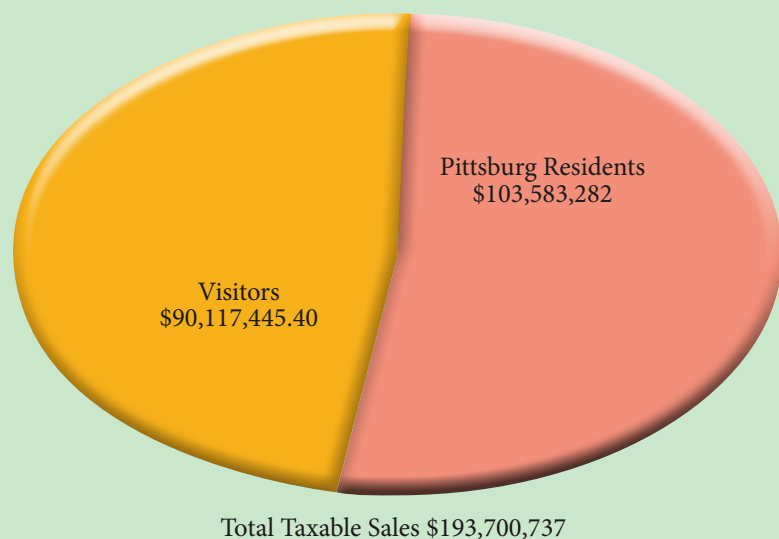
Source: Bureau of Labor Statistics

TAXABLE SALES

Local retail sales look good in 2021. Sales tax collections are a good indicator of retail sales, and the Kansas Department of Revenue (KDOR) reports that sales tax collections to the City of Pittsburg increased to \$7,794,210 in the first nine months of 2021, up 11.3 percent from the same period in 2020. Furthermore, final estimates from KDOR show that taxable sales (retail sales plus taxes on selected services, mainly tourism services such as car rental) increased to \$193.7 million in Pittsburg during the first six months of 2021 (up 13.5 percent) and increased 260.8 million in the Pittsburg micropolitan area (up 12.6 percent) and \$23.5 billion statewide (up 13.6 percent).

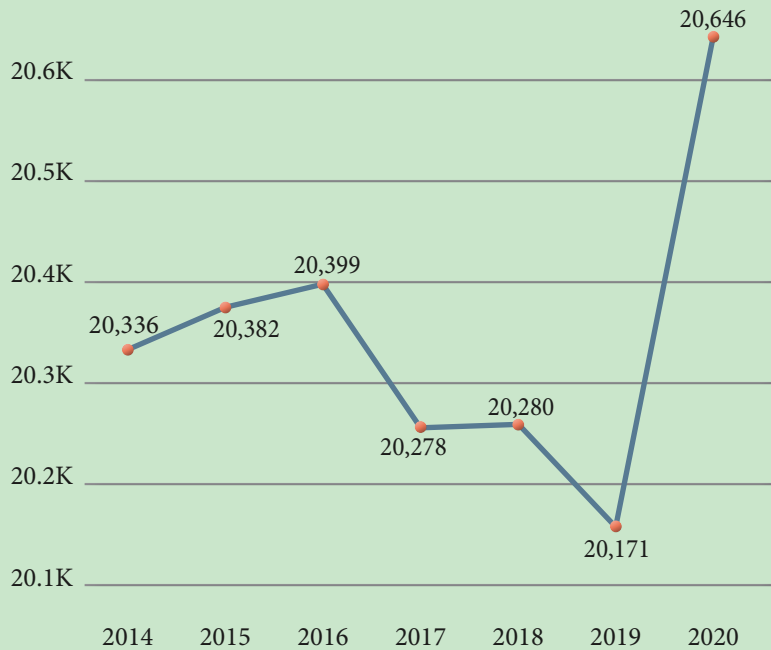
Retail sales nationwide (taxable sales not available) increased 23.0 percent during the period. The nationwide retail industry has improved in 2021, with 4,969 store openings during the first eight months of the year (according to Core sight), slightly above the 4,889 store closures. During the same period in 2020, there were 2.5 times more store closures than store openings. Brick and mortar stores are still very important, despite a 30 percent increase in online retail sales in 2020. Furthermore, the Census Bureau states that 85 percent of all sales are still in-store.

Taxable Sales City of Pittsburg Jan'21-Jun'21



Source: Kansas Department of Revenue

Population City Of Pittsburgh



Source: City of Pittsburgh

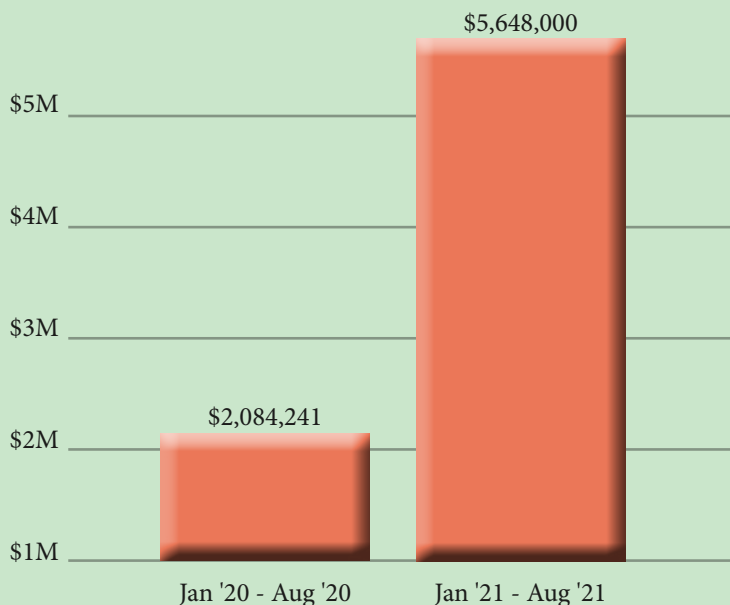
RESIDENTIAL PERMITS

The population is increasing at a very healthy rate in Pittsburgh. The Census Bureau reports that the population in Pittsburgh increased to 20,646 in 2020 (up 2.4 percent from 2019), and Unacast furthermore ranked Pittsburgh as the 4th fastest-growing small city nationwide in 2021. During the first eight months of 2021, a total of 85 building permits were issued, with a stated value of \$6,767,777 (up 259.6 percent from the same period last year), including 21 single-family building permits, with a stated value of \$5,809,535 (up 671.1 percent) and 64 building permits for additions, alterations, and conversions for a stated value of \$958,242 (down 15.1 percent).

In August, 60 single-family homes were sold in Pittsburgh (up 57.9 percent from August 2020) for an average price of \$126,794 (up 12.7 percent). The stock of homes for sale in Pittsburgh has declined significantly, with only two months' sales supply in August (down 37.9 percent). During the first eight months of 2021, 361 homes were sold in Pittsburgh (up 7.1 percent from the same period last year), for an average price of \$135,370 (up 35.9 percent).

During the same period, the average home was on the market for 85 days (down 30.7 percent from last year).

New Commercial Building Permits City Of Pittsburgh



Source: City of Pittsburgh

COMMERCIAL PERMITS

The local commercial market is doing well in 2021 with a spike in new commercial building permits. During the first eight months of 2021, a total of four building permits were issued by the City of Pittsburgh for new commercial construction, with a stated value of \$5,648,000 (up 171.0 percent from the first eight months of 2020), and 57 permits were issued for additions, alterations, and conversions, with a stated value of \$3,417,155 (down 55.0 percent). Overall, 61 permits were issued for commercial construction during the period, with a stated value of \$9,065,155, down 6.4 percent. The biggest commercial permit issued during the period was for to the Community Health Center of Kansas for a new building at 3015 N. Michigan with a stated value of \$4,500,000, followed by Petel RAJ for a new Dairy Queen restaurant at 2111 N. Broadway, with a stated value of \$850,000; All Board Foundation for remodeling the building at 417 N. Broadway, with a stated value of \$325,000; the City of Pittsburgh for remodeling the building at 742 E. 6th Street, with a stated value of \$289,000; the City of Pittsburgh for remodeling the building at 911 W. 4th Street, with a stated value of \$270,000, and Kansas Crossing Casino and Hotel for a new structure, with a stated value of \$218,000.

OFFICE SPACE MARKET

New estimates show that the number of office establishments in the Pittsburgh micropolitan area increased in 2021 to 701 business establishments, employing 6,588 people. This includes 140 health service establishments, employing 2008 people; 86 membership organizations establishments, employing 293 people; 51 business services establishments, employing 540 people; 50 educational service establishments, employing 1,564 people; 49 personal service establishments, employing 128 people; 45 social services establishments, employing 740 people; 43 real estate establishments, employing 186 people; 42 engineering, accounting, and related establishments, employing 201 people; 40 automotive repair and related services establishments, employing 117 people; 32 insurance agents, brokers, and insurance carrier establishments, employing 82 people; 28 depository institutions and non-depository credit institution establishments, employing 215 people; 25 legal services establishments, employing 152 people; and 70 other establishments, employing 362 people.

Jones Heritage Realtors reports that the average gross office rental rate is \$14.00 per square foot in the Pittsburgh area for small office space, \$12.00 for mid-size office space, and \$6.50 for large office space.



Source: Jones Heritage Realtors

HOUSING DEVELOPMENT & LAND VALUES

Jones Heritage Realtors reports that the local residential land market is doing well, with residential land values currently ranging from an average of \$0.65 per square foot in older neighborhoods to an average of \$1.75 per square foot in primary sites, and going as high as \$2.25 per square foot in high-end locations. Multi-family residential land prices start at an average of \$0.75 per square foot in secondary locations and increase to an average of \$1.75 per square foot, but can go as high as \$2.25 in the best locations.

Housing developers in Pittsburgh are optimistic about the future. There are several housing developments either recently finished or still in the pipeline in Pittsburgh, including Silverback Landing with 140 homes at \$238,000 to \$261,000 and HOA; Creekside East, with 120 homes at \$210,000; Payton's Hamlet with 4 homes at \$350,000; Lakewood Drive Addition with 15 homes at \$165,000 to \$200,000; and Pitt Highlands, with 25 low-income homes.

Additionally, 30 homes and one commercial property were built through the land bank program at values ranging from \$87,000 to \$165,000. Villas at Creekside is building more than 29 high-end villas for residents aged 55 and up with amenities.



Source: Jones Heritage Realtors

Average Net Retail Space Rent Pittsburg Area March, 2021



Source: Jones Heritage Realtors

RETAIL SPACE MARKET

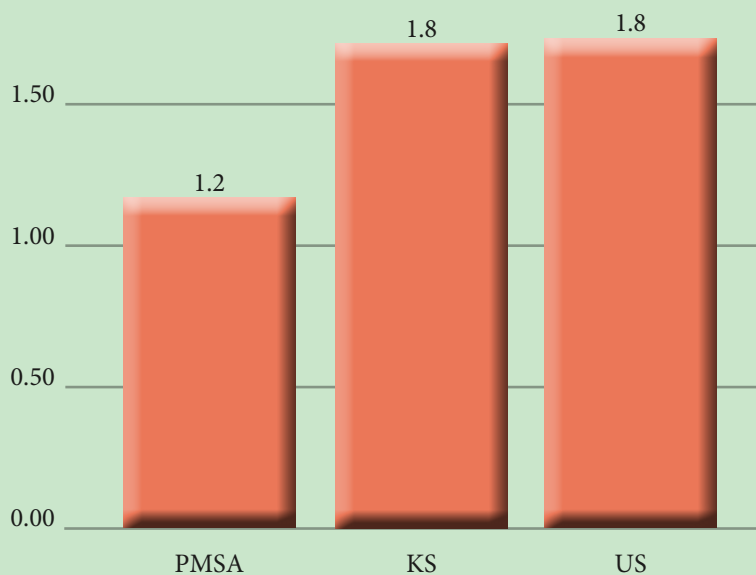
The City of Pittsburg is a regional center for retail and consumer services in Southeast Kansas.

The Kansas Department of Revenue reports that for Pittsburg's total retail sales to be to only local residents, Pittsburg's population would have to be 87.0 percent larger than it is.

In 2021 the Pittsburg micropolitan area has a total of 332 retail establishments (down slightly from 2019), employing 4325 people. There are 88 eating and drinking establishments, employing 1172 people; 68 miscellaneous retail establishments, employing 264 people; 67 wholesale trade establishments, employing 1078 people; 34 automotive dealers and gasoline service stations, employing 234 people; 26 food stores establishments, employing 640 people; 14 building materials, hardware, garden supply, and mobile home dealer establishments, employing 208 people; 13 apparel and accessory stores establishments, employing 71 people; 12 home furniture, furnishings, and equipment store establishments, employing 131 people; and 10 general merchandise store establishments, employing 527 people.

Jones Heritage Realtors reports that the average net retail rent is \$15.00 per square foot in the Pittsburg area for small retail space, \$10.00 for mid-size retail space, and \$6.50 for large retail space.

Per Capita Personal Bankruptcies Sept'19-Jun'20 to Sept'20-June'21



Source: US Bankruptcy Courts

BANKRUPTCIES

Local personal bankruptcies have not been a problem in 2021. Personal bankruptcies have increased just slightly in the Pittsburg micropolitan area during the one-year period ending in June, up 9.4 percent from the previous one-year period. There were 1.2 personal bankruptcies per 1000 adult population in the Pittsburg Micropolitan Area during the period, well below the rate of 1.8 bankruptcies per 1000 statewide and 1.8 bankruptcies per 1000 nationwide. Personal bankruptcies declined 31.0 percent statewide and 32.7 percent nationwide during the period.

The wave of business bankruptcies that most economic analysts predicted in the wake of COVID-19 has not yet begun. Total business bankruptcies declined 50 percent in the Pittsburg Micropolitan Area during the period and 38.1 percent statewide. However, Kansas had the third-highest number of farm bankruptcies nationwide (behind Wisconsin and Minnesota), with the dairy sector hardest hit.

Total business bankruptcies declined 17.7 percent nationwide during the period. Most of the filings in 2021 were small companies with liabilities between \$1 million and \$10 million, according to NGR.



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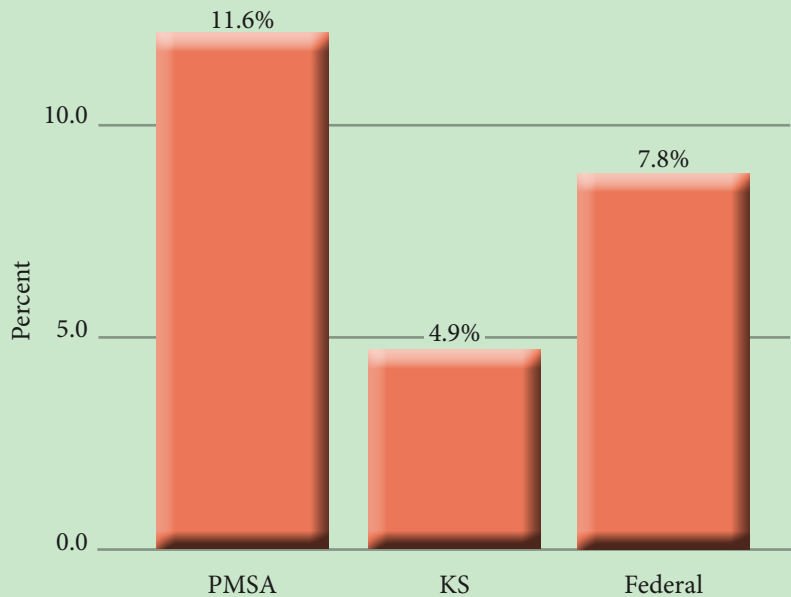
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Growth in Total Assets Q2'20-Q2'21



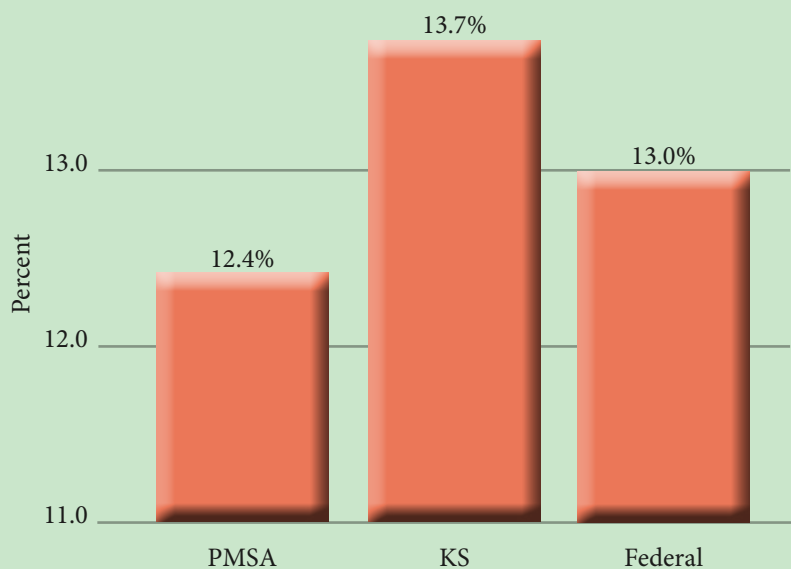
Source: Federal Deposit Insurance Corporation

BANKING INDUSTRY

The Federal Reserve Board announced on September 22nd that there would be no change in the federal funds target interest rate (currently 0-0.25 percent) for now but warned that there might be as many as 6-7 interest rate increases in the next 15 months. The Pittsburg micropolitan area banking industry (banks with local headquarters) posted \$928.8 million in total assets during the second quarter of 2021 (up 11.6 percent from the second quarter of 2020), \$479.2 million in net loans and leases (down 10.2 percent), \$13.0 million in non-current loans and leases (up 13.0 percent), and \$6.4 million in net income (up 36.5 percent). Banks with headquarters in Kansas posted \$88.1 billion in total assets (up 4.9 percent), \$ 52.2 billion in net loans and leases (down 3.8 percent), \$424.5 million in non-current loans and leases (down 16.5 percent), and net income of \$552.5 million (up 26.0 percent). The national industry posted \$22.8 trillion in total assets (up 7.8 percent), \$10.7 trillion in net loans and leases (down 0.8 percent), \$109.7 billion in non-current loans and leases (down 7.3 percent), and \$146.7 billion in net income (up 296.5 percent). During the same period, the industry posted a return on assets of 1.24 percent (up from 0.36 percent) and an average interest margin of 2.50 (down from 2.81 percent).

Credit Union Industry

Growth in Total Assets Q2'20-Q2'21



Source: National Credit Union Administration

CREDIT UNION INDUSTRY

The Pittsburg micropolitan area credit union industry (credit unions with local headquarters) is doing well, posting \$140.0 million in total assets during the second quarter of 2021 (up 12.4 percent from the second quarter of 2020), \$70.7 million in net loans and leases (down 0.7 percent), \$309,694 in delinquent loans and leases (down 37.3 percent), and \$432,707 in net income (up 57.0 percent). Credit unions with headquarters in Kansas posted \$14.0 billion in total assets (up 13.7 percent), \$9.1 billion in net loans and leases of (up 8.3 percent), \$37.0 million in delinquent loans and leases (down 21.64 percent), and net income of \$79.9 million (up 240.6 percent).

The national industry posted \$2.0 trillion in total assets up 13.0 percent), \$1.2 trillion in net loans and leases (up 5.0 percent), \$5.5 billion in non-current loans and leases (down 17.7 percent), and \$10.7 billion in net income (up 126.01 percent). Credit union membership increased to 127.2 million during the second quarter, up 4.0 percent. Overall, 25 percent of the credit unions had less than \$12.4 million in average assets, 50 percent had less than \$47 million, 75 percent had less than \$182.9 million and 90 percent had less than \$737.2 million.

Pittsburg Micropolitan Area Snapshot 2020

	2021 Employees	Percent of Total	2021 Establishments	Percent of Total	Average Employee Size
Forestry, and Fishing	218	1.4%	60	4.4%	3.6
Mining	125.0	0.8%	5.0	0.4%	25.0
Construction	542	3.5%	79	5.7%	6.9
Transportation, Communications, Electric, Gas, & Sanitary Services	1,259	8.1%	77	5.6%	16.4
Wholesale Trade	1,078	6.9%	67	4.9%	16.1
Finance, Insurance, & Real Estate	522	3.4%	118	8.6%	4.4
Services	6,066	39.0%	583	42.3%	10.4
Public Administration	1,175	7.6%	57	4.1%	20.6
Manufacturing	1,307	8.4%	66	4.8%	19.8
Food and Kindred Products	217	1.4%	5	0.4%	43.4
Tobacco Products	0	0.0%	0	0.0%	N/A
Textile Mill Products	0	0.0%	0	0.0%	N/A
Apparel, Finished Prdcts from Fabrics and Similar Materials	30	0.2%	5	0.4%	6.0
Lumber and Wood Products, Except Furniture	10	0.1%	4	0.3%	2.5
Furniture and Fixtures	5	0.0%	1	0.1%	5.0
Paper and Allied Products	72	0.5%	2	0.2%	36.0
Printing, Publishing and Allied Industries	316	2.0%	10	0.7%	31.6
Chemicals and Allied Products	14	0.1%	2	0.2%	7.0
Petroleum Refining and Related Industries	0	0.0%	0	0.0%	N/A
Rubber and Miscellaneous Plastic Products	81	0.5%	3	0.2%	27.0
Leather and Leather Products	0	0.0%	0	0.0%	N/A
Stone, Clay, Glass, and Concrete Products	63	0.4%	4	0.3%	15.8
Primary Metal Industries	15	0.1%	2	0.2%	7.5
Fabricated Metal Prdcts, Except Machinery & Transport Eqpmnt	101	0.7%	5	0.4%	20.2
Industrial and Commercial Machinery and Computer Equipment	224	1.4%	12	0.9%	18.7
Electronic, Elctrcl Eqpmnt & Cmpnts, Excpt Computer Eqpmnt	88	0.6%	5	0.4%	17.6
Transportation Equipment	5	0.0%	1	0.1%	5.0
Mesr/Anlyz/Cntrl Instrmnts; Photo/Med/Opt Gds; Watches/Clocks	0	0.0%	0	0.0%	N/A
Miscellaneous Manufacturing Industries	66	0.4%	5	0.4%	13.2
Retail Trade	3,247	20.9%	265	19.2%	12.3
Building Materials, Hrdwr, Garden Supply & Mobile Home Dealrs	208	1.3%	14	1.0%	14.9
General Merchandise Stores	527	3.4%	10	0.7%	52.7
Food Stores	640	4.1%	26	1.9%	24.6
Automotive Dealers and Gasoline Service Stations	234	1.5%	34	2.5%	6.9
Apparel and Accessory Stores	71	0.5%	13	0.9%	5.5
Home Furniture, Furnishings and Equipment Stores	131	0.8%	12	0.9%	10.9
Eating and Drinking Places	1,172	7.5%	88	6.4%	13.3
Miscellaneous Retail	264	1.7%	68	4.9%	3.9

Source: Demographics Now

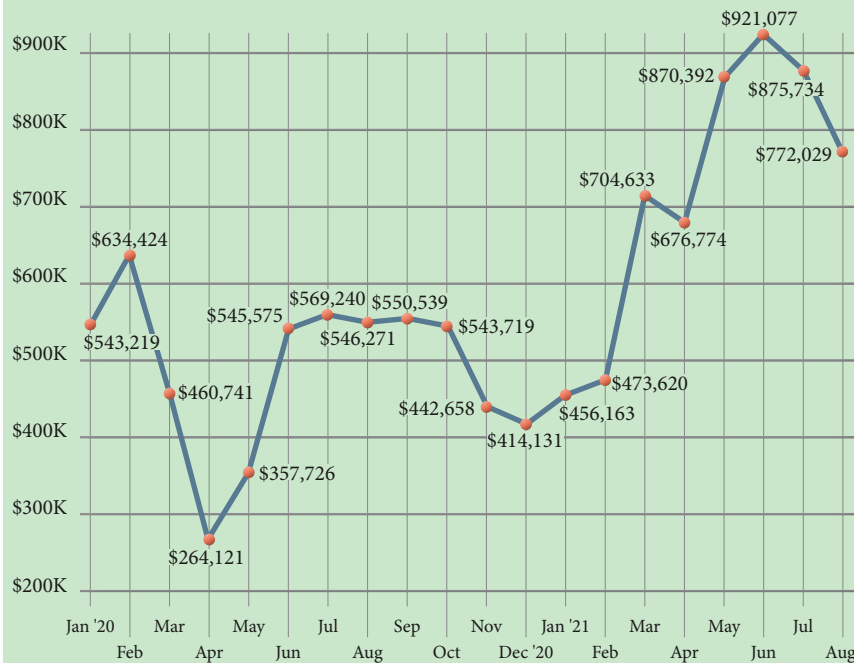
Annual Wages for Pittsburg Micropolitan Area 2020

Accountants and Auditors	\$54,023	Healthcare Practitioners and Technical Occupations	\$70,931
Advertising, Marketing, & Sales Managers Etc.	\$105,898	Healthcare Support Occupations	\$26,857
Architecture and Engineering Occupations	\$62,870	Industrial Engineers	\$73,419
Cashiers	\$22,160	Laborers and Freight, Stock, and Material Movers, Hand	\$29,832
Chief Executives	\$180,028	Loan Officers	\$28,003
Child, Family, and School Social Workers	\$43,815	Machinists	\$30,643
Coaches and Scouts	\$25,886	Management Occupations	\$88,367
Computer Programmers	\$70,297	Market Research Analysts and Marketing Specialists	\$55,068
Computer User Support Specialists	\$38,791	Medical Assistants	\$28,660
Cooks, Institution and Cafeteria	\$23,723	Office and Administrative Support Occupations	\$31,039
Counselors, Social Workers & Etc.	\$40,954	Pharmacists	\$137,370
Customer Service Representatives	\$28,937	Police and Sheriff's Patrol Officers	\$40,405*
Educational Instruction and Library Occupations	\$41,661	Postal Service Mail Carriers	\$51,758
Electricians	\$45,465*	Receptionists and Information Clerks	\$26,650
Engineers	\$66,831	Retail Sales Workers	\$20,926
Financial Managers	\$108,779	Secretaries and Administrative Assistants	\$35,212
Firefighters	\$33,428*	Software Devs., Software Quality Assurance Anals. & Testers	\$71,189
Food Preparation and Serving Related Occupations	\$19,969	Transportation, Storage, and Distribution Managers	\$54,362
General and Operations Managers	\$90,781	Waiters and Waitresses	\$17,999
Graphic Designers	\$35,184	Woodworkers	\$26,619*

*indication of 2020 data

Source: Kansas Labor Market Information Center

Rooms Revenues Pittsburg Micropolitan Area Lodging Industry



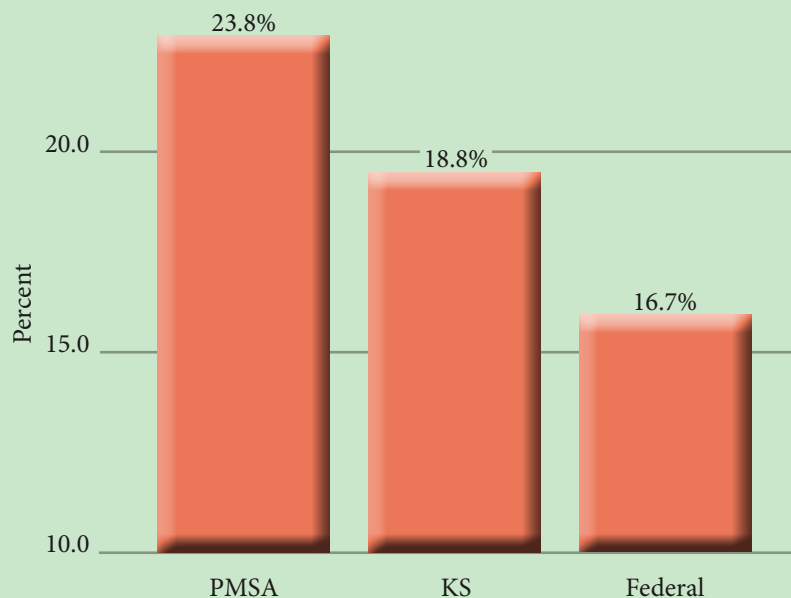
Source: Smith Travel Research

LODGING INDUSTRY

The Pittsburg micropolitan area hotel and motel industry are rapidly recovering from the COVID-19 recession, with total room revenues increasing to \$5.75 million during the first eight months of 2021, up a noteworthy 46.6 percent from the same period in 2020. The local industry was already on a significant growth path before the COVID-19 recession, with room revenues increasing 52.0 percent during the 2016-2019 period, well above the decline of 1.1 percent overall in Southeast Kansas and the 6.3 percent increase statewide and 13.0 percent increase nationwide. In 2019, the local accommodation industry contributed \$20.9 million in direct value added through wages, salaries, profits, and taxes to all government levels, which represents 1.3 percent of the Pittsburg micropolitan area gross domestic product during the period.

The accommodation industry also created \$7.0 million in value added through indirect means (buying from suppliers) and induced impacts (employees spending their wages). Visiting tourists also support a wide variety of industries. The industries most affected include accommodation, restaurants (all types), bars, gambling, amusement, and general merchandise stores. These industries contributed a combined \$95.8 million in direct value added, or 5.9 percent of the local GDP.

Per Capita Income Growth 2015-2020



Source: The Center for Regional Economic Competitiveness

QUALITY OF LIFE

The reputation of the city of Pittsburg as a vibrant university town and a regional shopping center with high-quality live entertainment and an attractive downtown is spreading. Local leadership has supported making the city more attractive and has been the catalyst for 29 downtown revitalization projects that are in the pipeline or recently completed. The local economy has also improved significantly during the last few years.

The financial situation of local households is good. Newly revised estimates from Woods & Poole show that the per capita income in the Pittsburg micropolitan area increased to \$42,858 in 2020, up 23.8 percent since 2015, which compares favorably to the 18.8 percent increase statewide and 16.7 percent increase nationwide. Furthermore, Demographics Now reports that during the 2015-2020 period, the number of middle-income households increased 5.7 percent in the Pittsburg micropolitan area and 7.3 percent in the City of Pittsburg, which is well above the 1.1 percent increase statewide and a 1.0 percent increase nationwide. Additionally, Equifax reports that 75.6 percent of resident adults in the Pittsburg Micropolitan Area had a prime FICO score in March 2021, the highest level in the recorded history of this indicator.

BUSINESS HIGHLIGHTS

A FAMILY-STYLE PATH TO RECOVERY

With the Covid-19 pandemic bearing down, Crawford County leaders banded together to weather the storm. It's an approach that appears to be paying dividends more than a year later. "As we looked around the world – Even across the United States – you saw what was happening. We could see it was going to be happening here and it could hit us so hard," says Naccarato, chief strategy office for Pittsburg State University. "We thought we needed to do everything we could. There are only so many resources within a community like ours. That was our challenge, because resources are so limited.

Officials did something fairly unique in city and county dynamics – they pooled resources from medical, educational, governmental and business entities to tackle the pandemic together. They named it the Crawford County Recovery Task Force.

"We lost these souls who were part of our communities," Naccarato says. "A lot of people were very sick... But I do think, had we have not taken this approach, it could have been far worse. I think we came through this stronger because we addressed our issues in a collaborative way."

Beccy Tanner, The Journal

U.S. AWARDS HOSTS GROUND BREAKING CEREMONY

The culmination of collaborative work came into fruition Wednesday (Sept. 15, 2021) as U.S. Awards, Inc. hosted a groundbreaking ceremony for the facility's expansion.

Along with adding more room for U.S. Awards, Inc. employees, the company will also make room for Pittcraft Printing.

"This is an opportunity," co-owner Joe Dellasega said. "We are so excited to get Pittcraft here where we can be one team, one culture, and can expand the number of products that we can do."

Aaron Pyle, The Pittsburg Morning Sun

CITY OF PITTSBURG TO BUY 192 ACRES FOR INDUSTRIAL PARK

The Pittsburg City Commission this week approved purchasing approximately 192 acres located north of Atkinson and west of Free King Highway for \$1.2 million and annexing it into the city for use as a future industrial park.

"We only have so much industrial park space in the city," said City Manager Daron Hall. "We're very fortunate that we've got a lot of growth in the businesses that are in our industrial parks, and the few acres that we have unallocated are currently being sought after. What we don't have is a very large, new, undeveloped industrial park with rail access, next to a highway, which this is.

Hall said there are already businesses interested in buying or leasing property in the new industrial park.

*Jonathan Riley, The Pittsburg Morning Sun/
USA Today Network*

PITTSBURG SEEING POPULATION GROWTH

Pittsburg's population has grown by 475 people since 2019, according to new data from the 2020 Census which showed Pittsburg's population at 20,646 as of April 1, 2020.

According to Pittsburg State University Associate Professor of Economics Dr. Michael Davidsson, "Cities that are growing have better employment, training and social opportunities, especially social interest matching opportunities, and it increases the local menu of consumer services."

Davidsson also states, "This also means that the labor force is growing and the skill set of the labor force is getting denser. That is good news for local employers, because a deeper set of local skills implies lower training costs."

Staff, The Pittsburg Morning Sun

LITTLE BALKANS FESTIVAL: A CELEBRATION OF HERITAGE, HISTORY BACKGROUND OF SOUTHEAST KANSAS' LARGEST ANNUAL FESTIVAL

Southeast Kansas's annual festival, Little Balkans Days, is a celebration of history, heritage, and unity. Dating back to September 1984, this festival has brought area residents together every Labor Day weekend for fun, music, and historical interactions.

"Because of the regions' heritage and history of the coal mining and the immigrants from Europe and parts of Europe that are known as the Balkans region, we became known as the Little Balkans," said Steve Cox, Pittsburg State University archivist and curator of Special Collections. "And there was a King Coal festival that started in 1934 and ran for seven years up until World War II when they decided to take a break. And that was sort of a smaller version of what we celebrate today as the Balkans Festival. They had parades, concerts, picnics, food. It wasn't until the early 1980s that the Pittsburg Area Festival Association decided to start up what basically had been King Coal Days and they renamed it the Little Balkans Day Festival."

Morie Price, The Pittsburg Morning Sun

NEW PITTSBURG DQ OPENS ITS DOORS

The new Dairy Queen at 2111 N. Broadway is finally open for business.

DQ is now open from 10 a.m. to 10 p.m., seven days a week.

"The community's extremely excited, they've asked for this for several years," said Pittsburg Area Chamber of Commerce President Blake Benson. "We're just excited to see it come to fruition."

One Pittsburg resident was so excited for the grand opening on Monday morning that he slept in his car so he could be the first customer, according to a Facebook post from Al Patel, a partner in the new DQ location and owner of Pitt Discount Liquor.

*Jonathan Riley and Jordan Meier,
The Pittsburg Morning Sun*

KANSAS AMONG NATIONAL RENEWABLE ENERGY LEADERS

Wind energy is becoming part of Kansas electricity at a faster rate than anticipated. Riley Scott states, "In 2021, now 42 percent of state electricity comes from some form of renewable energy, primarily wind. That's enough to power 2 million homes."

Kansas ranks among the national leaders in renewable energy, including being second behind Texas in percentage usage.

Renewable energy provides more than 3,000 jobs in Kansas. Scott said that being a wind technician is America's fastest growing job, according to the US Bureau of Labor and Statistics, and being a solar technician is third fastest.

Southeast Kansas was one of the last parts of the state to have wind development.

However, two wind projects are ongoing now in the area. Jayhawk Wind, located in southwestern Bourbon and northwestern Crawford counties, is nearing completion.

Jim Henry, The Pittsburg Morning Sun

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PITTSBURG MICROPOLITAN AREA EMPLOYMENT TRENDS

	Average Employees Q1 '21	Average Employees Q1 '20	Average Quarterly Wages Q1 '21	Average Quarterly Wages Q1'20	Average Job Growth	Average Q1 Wage Growth
Postal service	66	66	\$4,056.36	\$3,798.11	0.00%	6.80%
Oilseed and grain combination farming	31	26	\$2,837.85	\$3,054.88	20.51%	-7.10%
Beef cattle ranching and farming	19	20	\$2,931.19	\$3,016.83	-1.69%	-2.84%
Commercial building construction	57	60	\$3,471.48	\$3,497.57	-5.52%	-0.75%
Residential poured foundation contractors	18	15	\$3,003.70	\$3,154.17	17.39%	-4.77%
Residential plumbing and hvac contractors	42	38	\$2,278.72	\$2,360.09	8.70%	-3.45%
Grain and field bean merchant wholesalers	55	55	\$4,005.36	\$3,812.93	0.00%	5.05%
Farm supplies merchant wholesalers	31	33	\$4,493.74	\$4,866.74	-5.10%	-7.66%
Automotive parts and accessories stores	50	53	\$1,733.37	\$1,686.24	-5.06%	2.80%
Tire dealers	40	37	\$2,835.54	\$3,019.34	7.21%	-6.09%
Nursery, garden, and farm supply stores	37	32	\$1,943.44	\$1,603.96	14.58%	21.17%
Pharmacies and drug stores	54	53	\$2,624.04	\$2,777.90	1.25%	-5.54%
All other general merchandise stores	77	64	\$1,327.53	\$1,476.21	19.79%	-10.07%
Wired telecommunications carriers	106	102	\$5,870.72	\$6,057.00	4.59%	-3.08%
Insurance agencies and brokerages	34	37	\$2,673.22	\$2,705.86	-7.21%	-1.21%
Tax preparation services	13	15	\$1,645.97	\$1,660.16	-13.64%	-0.85%
Other accounting services	44	41	\$3,599.50	\$3,257.10	7.26%	10.51%
Managing offices	303	336	\$6,411.71	\$6,036.49	-9.83%	6.22%
Office administrative services	221	196	\$4,399.03	\$4,487.35	12.39%	-1.97%
Janitorial services	87	71	\$1,779.18	\$2,085.64	21.50%	-14.69%
Solid waste collection	68	50	\$2,538.48	\$3,164.24	36.91%	-19.78%
Sports and recreation instruction	25	14	\$696.18	\$1,146.63	72.09%	-39.28%
Offices of dentists	119	112	\$4,269.83	\$5,588.52	6.57%	-23.60%
Offices of chiropractors	16	15	\$2,458.38	\$2,269.28	4.35%	8.33%
Offices of optometrists	43	40	\$3,009.88	\$2,754.02	6.67%	9.29%
Offices of specialty therapists	52	52	\$1,894.35	\$2,150.19	0.65%	-11.90%
Home health care services	118	122	\$2,712.18	\$2,758.08	-3.54%	-1.66%
Nursing care facilities, skilled nursing	297	329	\$3,102.98	\$2,619.49	-9.63%	18.46%
Services for the elderly and disabled	198	219	\$2,532.19	\$2,019.47	-9.59%	25.39%
Child day care services	124	117	\$1,799.20	\$1,528.84	5.40%	17.68%
Full-service restaurants	688	829	\$1,040.33	\$968.27	-17.08%	7.44%
Limited-service restaurants	542	547	\$1,182.40	\$1,087.98	-0.91%	8.68%
Civic and social organizations	13	14	\$811.15	\$727.28	-6.98%	11.53%
Residential building construction	19	17	\$2,293.43	\$2,539.29	7.69%	-9.68%
Power and communication system construction	73	70	\$3,551.81	\$3,668.38	4.27%	-3.18%
Poured concrete structure contractors	18	15	\$3,003.70	\$3,154.17	17.39%	-4.77%
Masonry contractors	32	43	\$2,148.83	\$2,491.76	-26.36%	-13.76%
Site preparation contractors	21	20	\$2,566.37	\$2,314.98	5.08%	10.86%
Printing	432	420	\$3,701.54	\$3,835.97	2.70%	-3.50%
Motorcycle, boat, and other vehicle dealers	57	50	\$3,870.05	\$3,082.60	13.91%	25.54%
Electronics and appliance stores	82	76	\$2,513.23	\$2,469.41	6.99%	1.77%
Natural resources and mining	102	90	\$3,085.19	\$3,327.56	13.33%	-7.28%
2371 Utility system construction	90	93	\$3,848.87	\$3,749.41	-3.58%	2.65%
Grocery stores	346	308	\$1,810.92	\$1,941.61	12.35%	-6.73%
Gasoline stations	173	151	\$1,491.32	\$1,574.51	14.35%	-5.28%
Clothing stores	41	50	\$1,283.97	\$1,097.01	-17.33%	17.04%
General freight trucking	74	74	\$3,276.00	\$3,642.59	-0.45%	-10.06%
Specialized freight trucking	19	20	\$2,081.43	\$2,089.92	-4.92%	-0.41%
Legal services	80	83	\$3,340.28	\$3,396.21	-3.60%	-1.65%
Death care services	41	38	\$1,676.80	\$2,254.03	7.96%	-25.61%

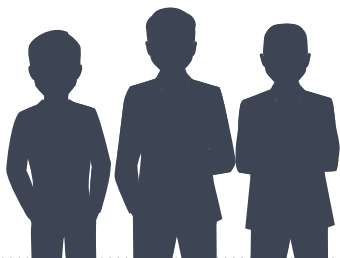
Source: Bureau of Labor Statistics



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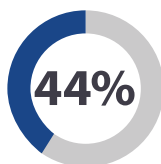
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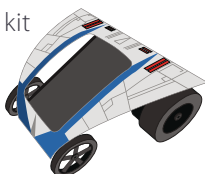
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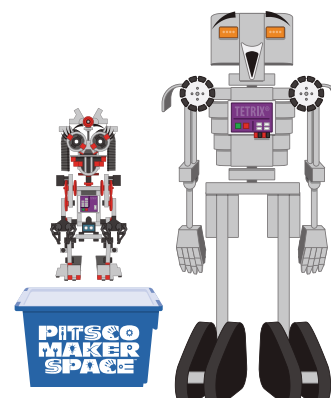
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