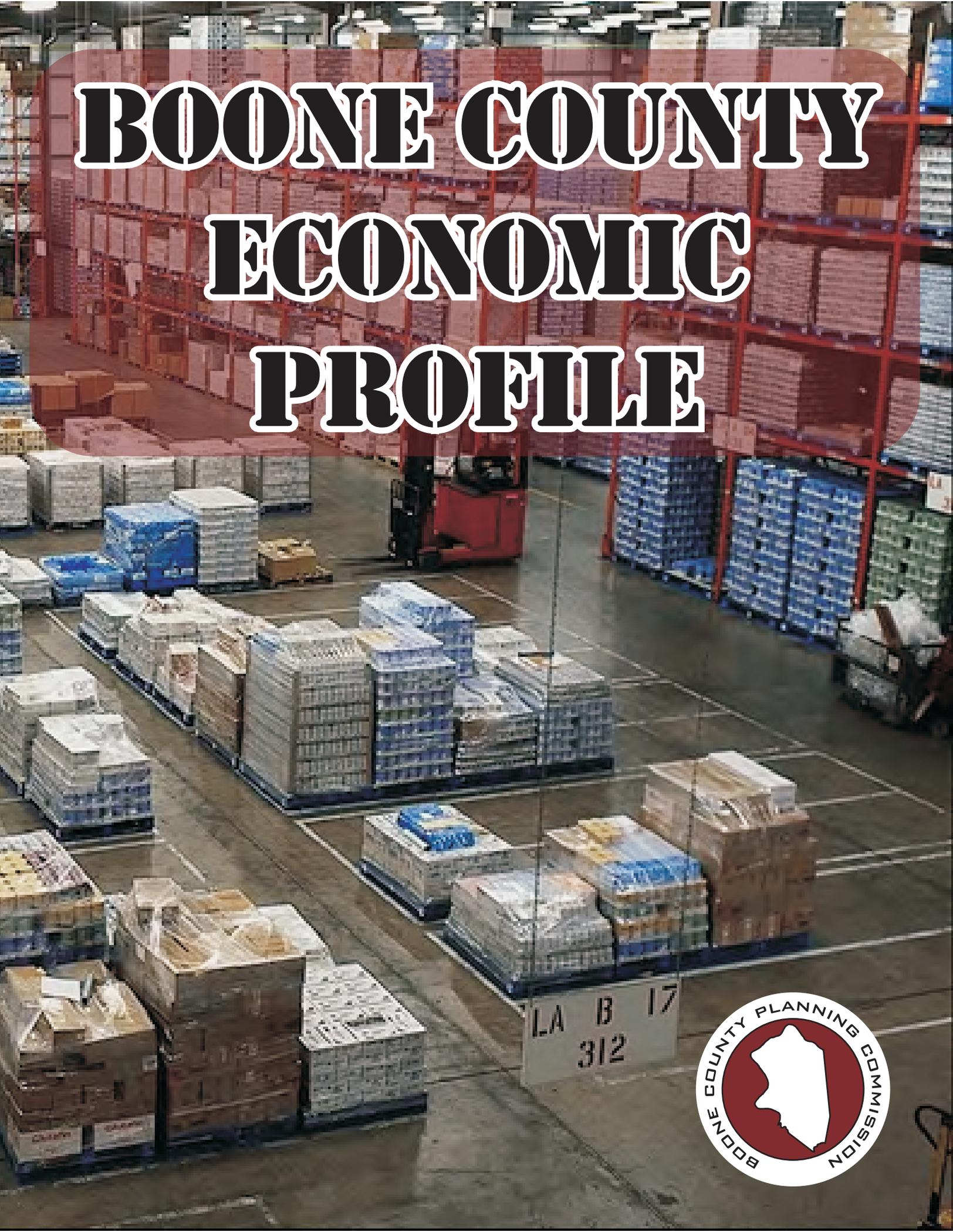


BOONE COUNTY ECONOMIC PROFILE



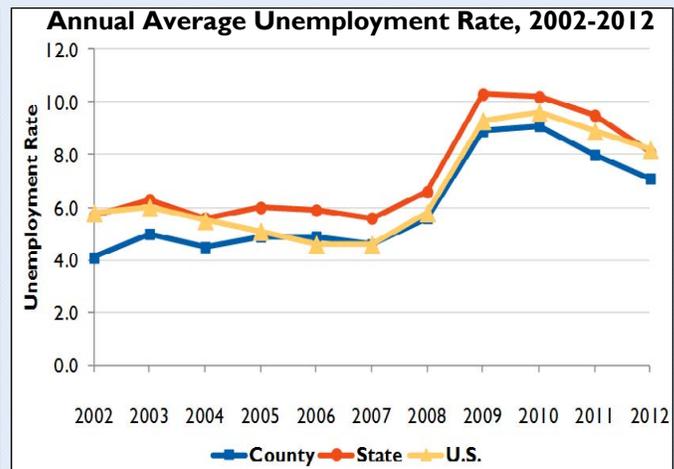
Kentucky County Economic Profiles

Boone County - Overview

Fall 2013 Update

Demographics		Boone County		Kentucky		United States	
Total Population, 2012 Estimate (Census)		123,316		4,380,415		313,914,040	
Percent Change in Total Population, 2000-2010 (Census)		3.8%		0.9%		1.7%	
Percent of the Population that is Non-white, 2010 (Census)		7.3%		11.4%		22.1%	
Percent of the Population that is Older than 64 years, 2010 (Census)		10.4%		14.0%		13.7%	
Percent of the Total Population in Poverty, 2011 Estimate (SAIPE)		8.7%		19.1%		15.9%	
Percent of the Total Population under 18 in Poverty, 2011 Estimate (SAIPE)		12.1%		27.2%		22.5%	
		Estimate	Reliability	Estimate	Reliability	Estimate	Reliability
Reliability ■ Very reliable (>95% C.I.) ▲ Somewhat reliable (90-95% C.I.) ● Not very reliable (<90% C.I.)	Percent of the Population 25 & Older that has a High School Diploma, GED, or more, 2007-2011 Estimate (ACS)	91.0%	■	81.7%	■	85.4%	■
	Percent of the Population 25 & Older that has a Bachelor's Degree or more, 2007-2011 Estimate (ACS)	28.8%	■	20.6%	■	28.2%	■
	Percent of Workers who Travel 30 minutes or more one way, to work, 2007-2011 Estimate (ACS)	0.3%	■	0.3%	■	—	—
	Unemployment Rate, 2012 Annual Average (BLS)	7.1%		8.2%		8.1%	
	Median Household Income, 2012 Estimate (SAIPE)	\$64,055		\$41,086		\$51,017	

Jobs Overview	Boone County	Northern Kentucky ADD*	Kentucky
2002 Total Jobs	69,910	172,210	1,716,446
2012 Total Jobs	75,624	182,838	1,761,238
2022 Projected Jobs	90,120	210,961	1,975,115
2002-2012 Percent Change in Total Jobs	8.0%	6.0%	3.0%
2012-2022 Projected Percent Change in Total Jobs	19.0%	15.0%	12.0%



*ADD = Area Development District

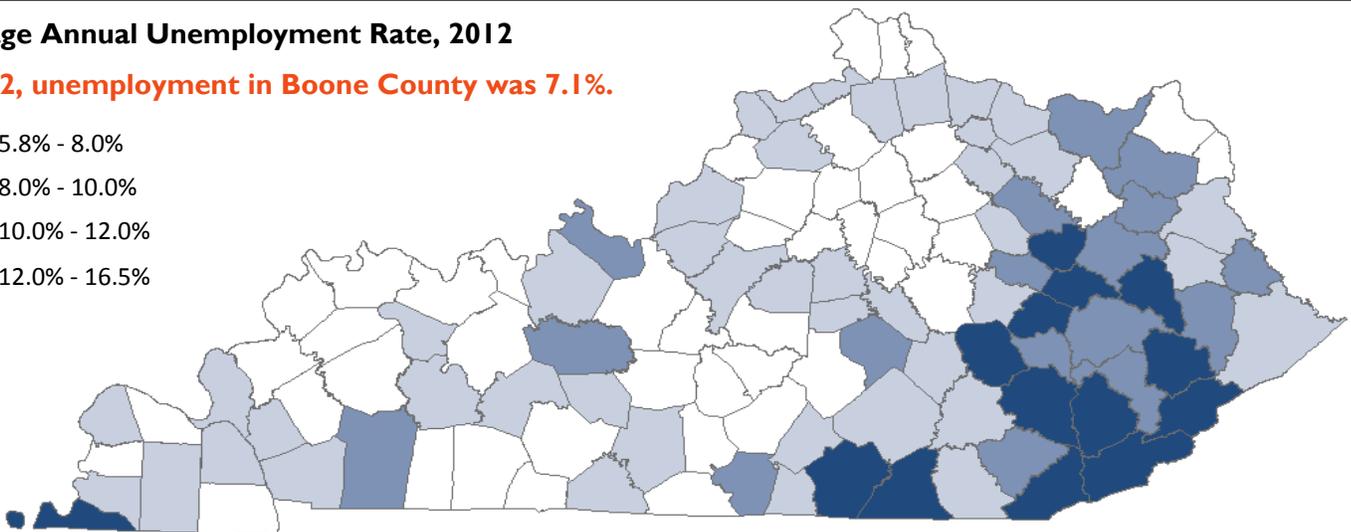
Source: EMSI 2013

Source: Bureau of Labor Statistics 2013

Average Annual Unemployment Rate, 2012

In 2012, unemployment in Boone County was 7.1%.

- 5.8% - 8.0%
- 8.0% - 10.0%
- 10.0% - 12.0%
- 12.0% - 16.5%



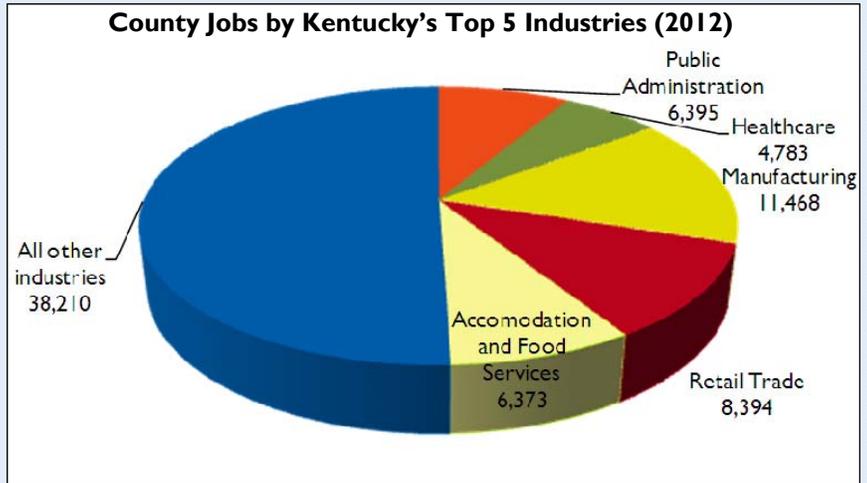
Source: Bureau of Labor Statistics 2013

Boone County - Jobs by Industry

Top 10 Industries by Employment (2012)

Industry Name (by 3-digit NAICS codes)	County Jobs
Food Services & Drinking Places	5,602
Administrative & Support Services	5,152
Local Government	4,782
Merchant Wholesalers, Durable Goods	3,655
Merchant Wholesalers, Nondurable Goods	3,248
Credit Intermediation & Related Activities	2,967
Couriers & Messengers	2,809
Air Transportation	2,768
Warehousing & Storage	2,672
Ambulatory Health Care Services	2,272
Total Top 10 industries	35,927

This page divides the county's jobs into different industries, as defined by the North American Industry Classification System (NAICS).



Source: EMSI 2013

Source: EMSI 2013

Industry Sector (by 2-digit NAICS codes)	Boone County			Northern Kentucky ADD*		Kentucky	
	Percent Share of Total Jobs	2012 Jobs	2012 LQ [†]	2012 Jobs	2012 LQ [†]	2012 Jobs	2012 LQ [†]
Agriculture, Forestry, Fishing & Hunting	0.1%	59	0.1	97	0.1	7,508	0.5
Mining, Quarrying, & Oil & Gas Extraction	0.2%	16	0.0	249	0.2	20,309	1.9
Utilities	0.2%	157	0.5	423	0.6	6,559	0.9
Construction	2.4%	1,822	0.6	6,010	0.8	67,281	0.9
Manufacturing	15.2%	11,468	1.7	22,243	1.4	223,770	1.4
Wholesale Trade	9.7%	7,313	2.3	11,129	1.4	72,794	1.0
Retail Trade	11.1%	8,394	1.0	19,760	1.0	202,862	1.0
Transportation & Warehousing	14.8%	11,197	4.7	13,814	2.4	82,331	1.5
Information	1.0%	746	0.5	1,477	0.4	26,526	0.7
Finance & Insurance	4.3%	3,243	1.0	7,980	1.0	68,331	0.9
Real Estate & Rental & Leasing	1.0%	728	0.7	2,057	0.8	17,868	0.7
Professional, Scientific, & Technical Services	2.4%	1,831	0.4	7,104	0.7	67,533	0.6
Management of Companies & Enterprises	2.7%	2036	1.8	5,274	1.9	20,055	0.8
Administrative & Waste Management Services	7.0%	5,288	1.1	10,455	0.9	104,557	1.0
Educational Services	0.7%	537	0.4	1,473	0.4	17,463	0.5
Health Care & Social Assistance	6.3%	4,783	0.5	19,700	0.8	226,618	1.0
Arts, Entertainment, & Recreation	1.1%	842	0.7	2,392	0.9	19,540	0.7
Accommodation & Food Services	8.4%	6,373	0.9	18,751	1.1	155,420	1.0
Other Services (except Public Administration)	3.2%	2,395	0.9	5,501	0.9	48,628	0.8
Public Administration	8.5%	6,395	0.5	26,948	0.9	305,286	1.1

*ADD = Area Development District

[†]LQ= National Location Quotient (see Insights for description)

Source: EMSI 2013



The data for this Profile were prepared by the Community & Economic Development Initiative of Kentucky (CEDIK) at the University of Kentucky. For questions on the data contained in this profile, contact James E. Allen IV, Research Director, at 859.218.4386 or james.allen4@uky.edu.

Special thanks to Simona Balazs and Georgette Owusu-Amankwah, CEDIK Research Assistants, for their work on this profile.



<http://cedik.ca.uky.edu/>



Of those employed in Boone County, 70% are in-commuters.
Of employed Boone County residents, 63% are out-commuters.

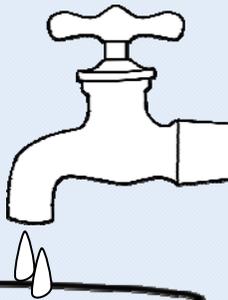


In-Commuters: Individuals living outside Boone County who are employed inside Boone County.
Out-Commuters: Individuals living in Boone County who are employed outside Boone County.

In-Commuters (2010): 47,514

Top 5 counties people commute from for work (2010)

County	Count
Kenton County, KY	14,677
Hamilton County, OH	7,488
Campbell County, KY	4,302
Jefferson County, KY	2,776
Grant County, KY	2,562



People living and working in the County (2010): 20,636

Average Annual Earnings	Number of Employed
< \$15,000	5,748
\$15,000-\$40,000	7,541
> \$40,000	7,347

In-Commuters by Average Annual Earnings (2005-2010)



In 2010, Boone County had more in-commuters than out-commuters.

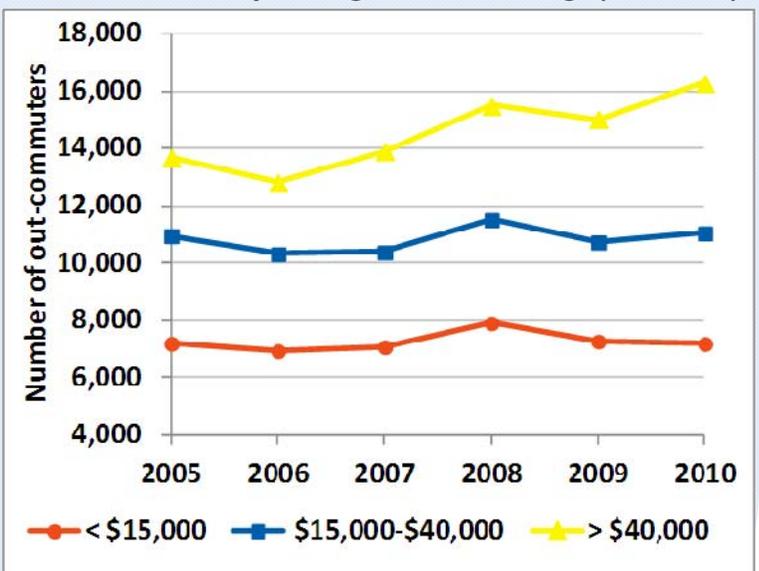
Since 2005, in-commuters had decreased by 2% and out-commuters increased by 8%.

Out-Commuters (2010): 34,481

Top 5 counties people commute to for work (2010)

County	Count
Kenton County, KY	11,427
Hamilton County, OH	9,416
Campbell County, KY	2,423
Jefferson County, KY	2,397
Fayette County, KY	1,455

Out-Commuters by Average Annual Earnings (2005-2010)



*All data on this page are from CENSUS/OnTheMap

Kentucky County Small Business Profiles

Boone County

Small businesses with less than 20 employees constitute 91% of all businesses and employ 11% of all employees in Boone County.

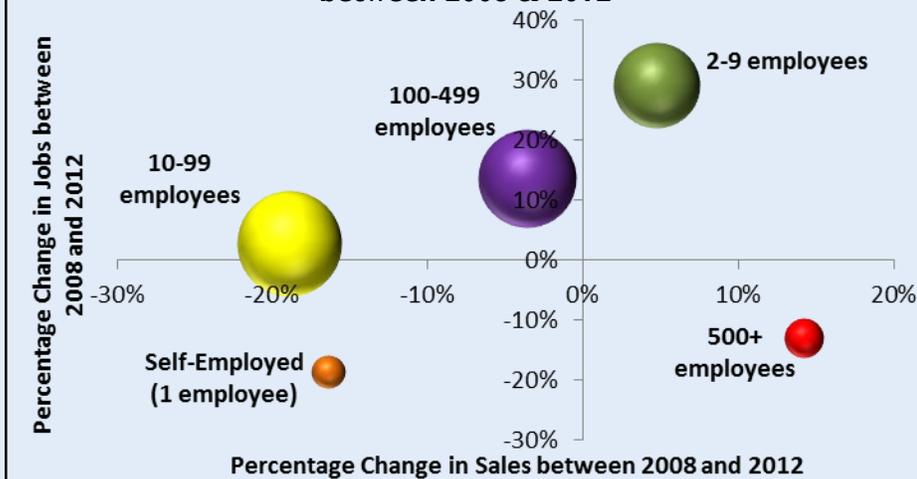
Payroll and Employment by Firm Size, 2010

Employment Size	Number of Firms	Total Employment	Average Annual Payroll per Firm	Average Annual Payroll per Employee
0	6,933	-	-	-
1-20	1,607	6,979	\$139,279	\$32,071
20-99	281	8,563	\$1,067,690	\$35,037
100-499	136	7,088	\$2,240,676	\$42,993
500+	420	39,058	\$3,255,705	\$35,009

Source: Statistics of U.S. Businesses, U.S. Census Bureau, 2010 Non-Employer Statistics

Definitions vary on the term “small business.” They include businesses that are solely owner-operated with zero employees and, according to the U.S. Small Business Administration, can also include businesses with up to 500 employees. However most agree that small businesses are a vital part of a local economy. This profile characterizes small businesses in your county.

Growth in Sales and Jobs by Employment Size between 2008 & 2012

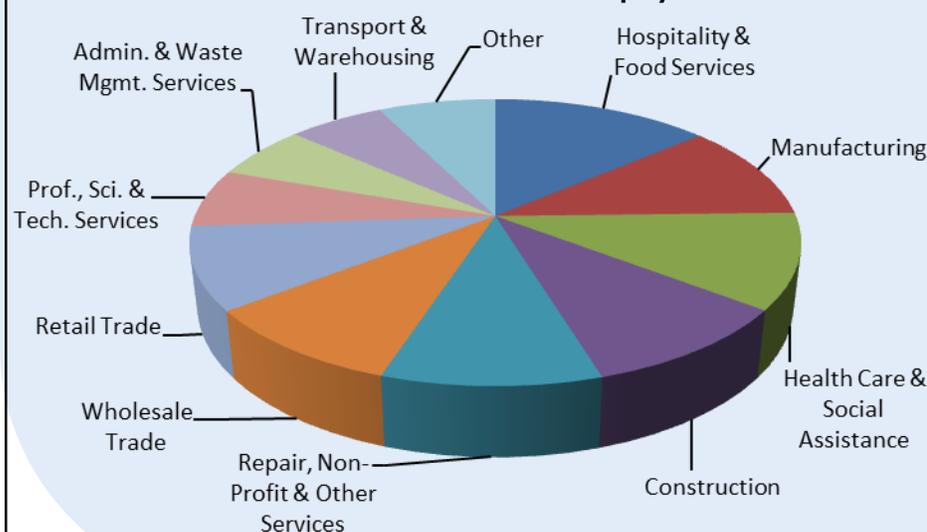


Source: YourEconomy, 2012, www.youreconomy.org

In the chart on the left, the top right quadrant represents firms that have increased their sales and the number of employees hired between 2008 and 2012. The bottom left quadrant shows declining sales and employment. Larger firms will typically be closer to the origin, thus showing lower proportional changes in sales and jobs, whereas smaller firms will tend to be farther from the origin because of higher proportional changes.

Small Business Employment of Top Industries, 2011

Includes Firms with 1 to 50 Employees



Source: Longitudinal Employer-Household Dynamics, U.S. Census Bureau, 2011

Microenterprises, 2009

Includes firms with 0 to 5 employees

Total Microenterprises	7,778
Total Employment in Microenterprises	10,226
Microenterprise Share of Total Private Non-Farm Employment	13%
Microenterprise Share of Total Number of Businesses	83%

Source: Association for Enterprise Opportunity, 2009, www.aeworks.org

As defined here, a microenterprise is any firm with 0 to 5 employees. Even though each microenterprise only employs a few people, they compose a significantly large portion of total number of businesses in Kentucky.

Share of Employment and Median Earnings by Gender and Business Type	Number of Firms	Employment		Median Earnings	
		Male	Female	Male	Female
Incorporated businesses (or corporations)	1,886	74%	27%	\$63,438	\$22,337
Unincorporated businesses (or proprietorships)	2,318	62%	38%	\$30,083	\$17,156

Source: American Community Survey 5-Year Estimates, 2007-2011

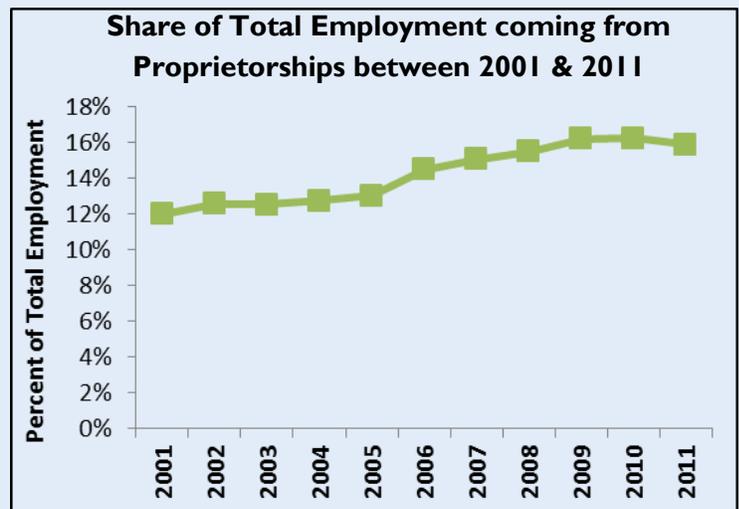
Another defining distinction between businesses is whether or not they are incorporated. An **incorporated business** (or corporation) is owned by shareholders, offers limited liability protection, and can sell equity to finance expansion. An **unincorporated business** (or proprietorship) is privately owned by one person or multiple partners and does not have the ability to sell equity.

The table above shows that 55% of firms were unincorporated businesses in Boone County.

For most counties, unincorporated businesses constitute more than half of all firms, but less than half of employment relative to corporations.

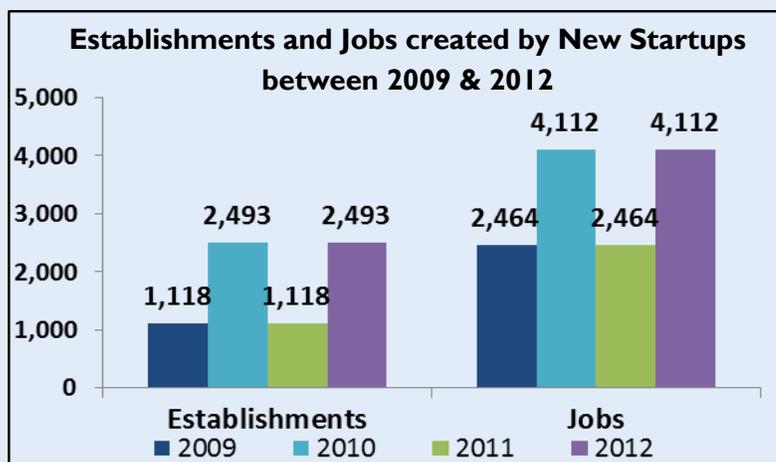
In Boone County, the share of employment from unincorporated businesses changed from 12% to 16% between 2001 and 2011.

New startups represent a subset of total new businesses in the county and are an indicator of innovation and growth in the economy. Establishments include new physical locations opened by new startups. Jobs include new job openings created by those startups. The figure below shows the number of new establishments and jobs attributed to startups created in each year, not aggregate levels of establishments and jobs.

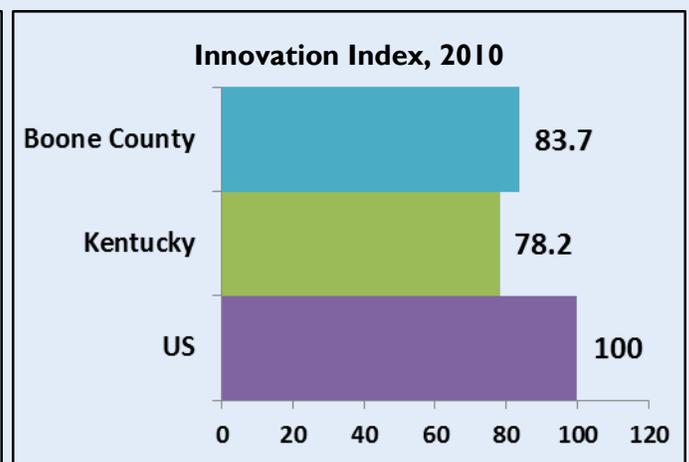


Source: Bureau of Economic Analysis, 2012 Update

The Innovation Index is based on four major variables: Human Capital, Economic Dynamics, Productivity and Employment, and Economic Well-Being. It measures the innovation capacity and the resulting innovative activities of a county relative to Kentucky and the United States.



Source: YourEconomy, 2012, www.youreconomy.org



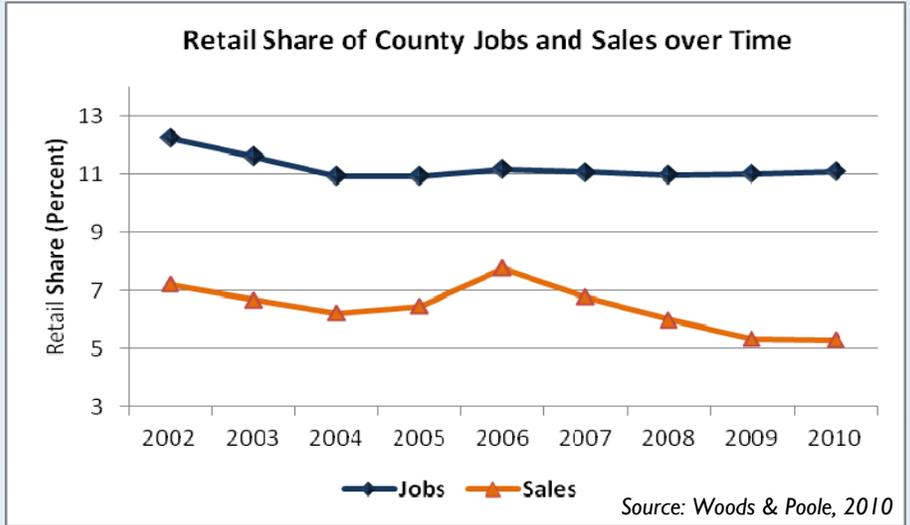
Source: STATS America, 2010, www.statsamerica.org

Kentucky County Retail Sector Profiles

Boone County

→ In 2010, 5.3% of county sales and 11.1% of county jobs were attributable to the retail sector.

The retail sector comprises businesses engaged in selling merchandise to the general public—the final step in the distribution of these goods and services. Examples include grocery, department and specialty stores, gas stations, and restaurants, among others.



	Percent change between 2002-2010
Retail Sector Jobs	10.8%
Retail Sector Sales	24.6%

Source: Woods & Poole, 2010

Source: Woods & Poole, 2010

2010 Retail Sector Employment Characteristics*	KY State	Northern Kentucky Area Development District	Boone County	Age Breakdown within County		
				≤ 24 years old	25-54 years old	≥ 55 years old
Employment in the Retail Sector in 2010	205,562	20,294	8,640	2,539	4,641	1,460
Retail Share of Employment across All Sectors in 2010	10.7%	9.9%	11.1%	23.0%	9.4%	12.7%
New Hires in the Retail Sector in 2010	134,835	11,296	6,564	3,568	2,640	108
Retail Share of New Hires across All Sectors in 2010	13.9%	12.1%	13.8%	19.9%	9.9%	3.8%
Change in Retail Employment in 2010	286	-206	-177	n/a	n/a	n/a
Average Annual Earnings per Employee	\$26,124	\$23,726	\$26,766	\$11,609	\$33,046	\$35,643

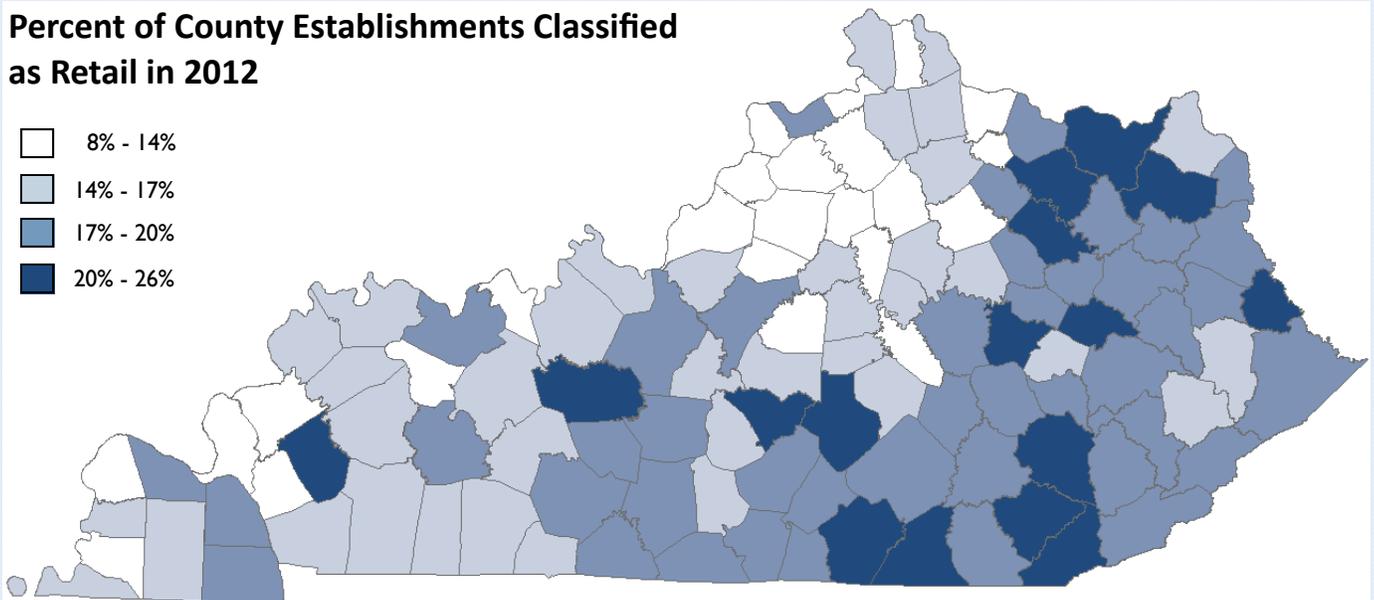
*For detailed descriptions of data in this table visit

http://www2.ca.uky.edu/CEDIK/data_profiles/retail_sector

Source: US Census Longitudinal Employer-Household Dynamics, 2010

Percent of County Establishments Classified as Retail in 2012

- 8% - 14%
- 14% - 17%
- 17% - 20%
- 20% - 26%



Source: ESRI/Community Analyst, 2012

	Boone County	State Average
Retail sector establishments	643	208
Retail sector establishments per 1,000 people	5.4	5.6
Percent of establishments classified as retail	14.9%	16.8%

Source: ESRI/Community Analyst, 2012; US Census, 2010

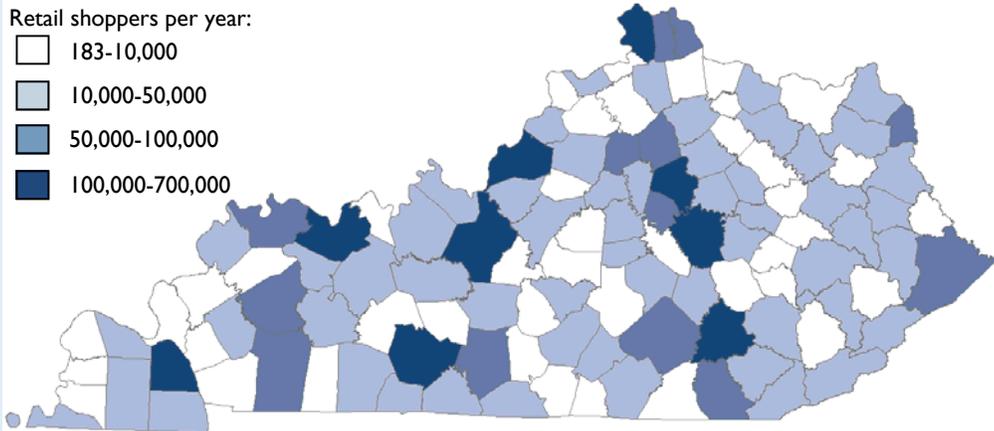
Trade Area Capture: This measure estimates the number of retail shoppers drawn to a county per year. Not surprisingly, urban counties have more shoppers, and thus, higher trade area captures.

State sales tax for KY is 6%, with no local tax. Except for VA and WV, the other neighboring states have a higher combined average sales tax rate (state + local).

	State sales tax	Local sales tax range
IL	6.25%	0.00% - 4.25%
IN	7.00%	0.00%
KY	6.00%	0.00%
MO	4.225%	0.50% - 6.625%
OH	5.50%	0.00% - 2.25%
TN	7.00%	1.50% - 2.75%
VA	4.00%	1.00% - 1.50%
WV	6.00%	0.00% - 1.00%

Source: Sales Tax Institute, 2012

Trade Area Capture for the Retail Sector



Source: Woods & Poole, 2010

Pull Factor Analysis: By dividing a county's trade area capture by its population, a pull factor measures a county's ability to attract shoppers in the retail sector. If the pull factor is less than 1, its own residents are shopping in other counties. If greater than 1, the county is pulling in retail shoppers from other counties.

Pull Factors by Retail Subsector

Retail Subsector	Rank	Share of total Retail	Change in Sales 2002 - 2010	KY Pull Factor	Northern Kentucky ADD* Pull Factor	County Pull Factor	2010 County Pull Factors						
							0.00	0.50	1.00	1.50	2.00	2.50	3.00**
All subsectors	-	100%	24.6%	1.00	1.13	2.02	[Bar chart showing pull factor of 2.02]						
Food and beverages	1	20.8%	5.9%	1.01	1.22	0.85	[Bar chart showing pull factor of 0.85]						
Motor vehicles & parts dealers	2	16.0%	-25.8%	0.99	1.06	0.52	[Bar chart showing pull factor of 0.52]						
General merchandise stores	3	14.3%	11.9%	1.42	1.12	0.40	[Bar chart showing pull factor of 0.40]						
Gasoline stations	4	13.5%	36.4%	1.53	1.20	0.51	[Bar chart showing pull factor of 0.51]						
Eating & dining	5	10.7%	14.5%	1.07	1.17	0.54	[Bar chart showing pull factor of 0.54]						
Building materials & gardening stores	6	10.0%	6.0%	1.23	0.99	0.61	[Bar chart showing pull factor of 0.61]						
Health & personal care stores	7	5.2%	18.6%	1.25	0.99	0.40	[Bar chart showing pull factor of 0.40]						
Miscellaneous	8	2.9%	-8.2%	1.29	1.23	0.52	[Bar chart showing pull factor of 0.52]						
Non-store retail	9	2.8%	25.9%	0.53	0.87	0.48	[Bar chart showing pull factor of 0.48]						
Clothing stores	10	1.2%	2.4%	0.79	1.08	0.17	[Bar chart showing pull factor of 0.17]						
Furniture stores	11	1.2%	-11.2%	0.90	1.19	0.3	[Bar chart showing pull factor of 0.3]						
Electronics & appliances stores	12	1.2%	6.1%	0.73	1.56	0.34	[Bar chart showing pull factor of 0.34]						
Sporting goods	13	0.3%	-6.9%	0.79	1.61	0.1	[Bar chart showing pull factor of 0.1]						

** The highest 2010 PF for a Retail Subsector in KY was estimated at 7.19

* ADD = Area Development District

Source: Woods & Poole, 2010

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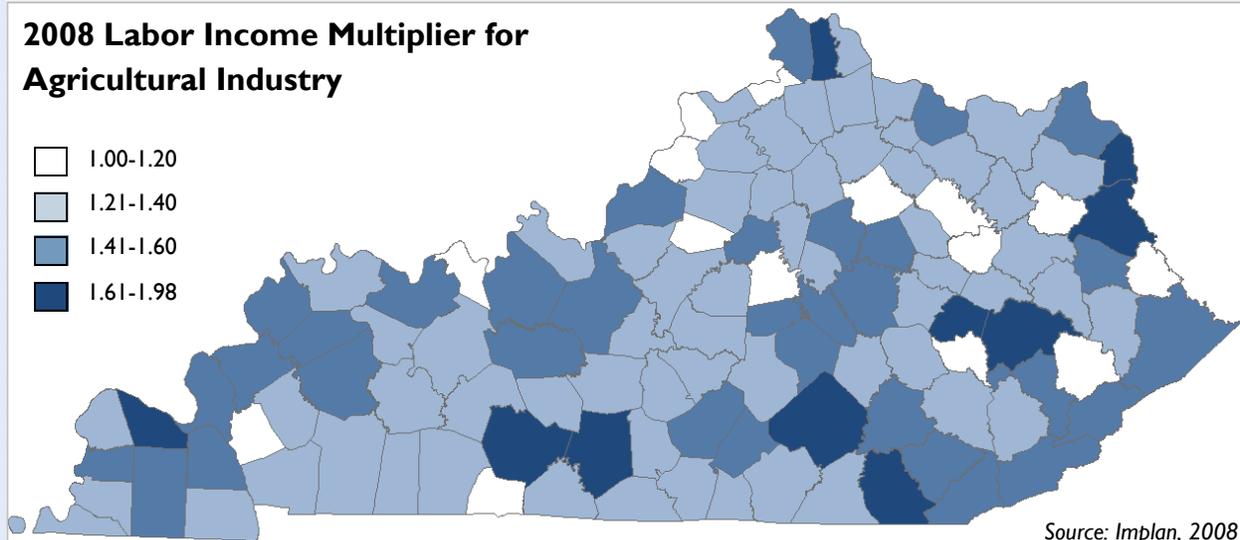
Kentucky County Ag and Food Profiles

Boone County - Agriculture

Farm Demographics	Boone County	Kentucky	United States
Total Farm Operations	682	85,260	1,522,033
Percent Full Owner	80.6%	76.8%	69.0%
Percent Part Owner	14.7%	19.4%	24.6%
Percent Tenant	4.7%	3.8%	6.4%
Total Number of Operators	1,057	123,971	3,337,450
Percent Female Operators	29.5%	26.9%	30.2%
Percent Non-white Operators	3.7%	2.7%	5.9%
Total Number of Hired Workers	495	74,444	2,636,509
Total Operations with Internet Access	60.4%	50.6%	56.5%
Total Operations with High Speed Internet Access	38.3%	29.1%	33.0%
Farm Economics			
Total Acres used for Farm Operations	74,750	13,993,121	922,095,840
Percent of Land Acreage used for Farm Operations	45.4%	54.1%	48.0%
Value of Ag Land, including Buildings	\$368,244,000	\$37,532,561,000	\$1,744,295,252,000
Total Income from Farm Operations	\$2,803,000	\$288,008,000	\$10,489,874,000
Total Income from Agritourism & Recreational Services	\$340,000	\$3,332,000	\$566,834,000
Vegetable Acres Harvested	302	7,776	4,682,588
Total Value of Animal Sales, Including Products	\$8,584,000	\$3,419,792,000	\$153,562,563,000
Total Value of Crop Sales, Including Products	\$8,963,000	\$1,404,769,000	\$143,657,958,000

Sources: 2007 Census of Agriculture, NOAA

2008 Labor Income Multiplier for Agricultural Industry



Source: Implan, 2008

Labor income includes employee wages and benefits as well as income from self-employment. This multiplier estimates the total change in a county's labor income resulting from a \$1 increase of labor income in its agriculture industry due to transactions between ag and non-ag industries, and household spending. Thus, a higher labor income multiplier suggests a stronger linkage between agriculture and the county's other industries.

2014

BOONE COUNTY'S TOP 20 EMPLOYERS (by number of employees)

RANK	BUSINESS	LOCATION	EMPLOYEES
1	Boone County School District	Florence	3,600
2	DHL	Erlanger	2,280
3	Citicorp Credit Services	Florence	2,200
4	Toyota Engineering	Erlanger	1,400
5	Verst Group Logistics	Walton	1,203
6	Amazon.com	Hebron	1,200
	Corporate Cleaning Systems	Erlanger	1,200
8	ZF Steering	Florence	1,144
9	St. Elizabeth	Florence	1,103
10	Schwan Global Supply	Florence	1,000
11	Mubea	Florence	870
12	DURO Bag	Florence	767
13	Pomeroy	Hebron	640
14	Mazak	Florence	587
15	Delta	Hebron	500
	Levi Strauss	Hebron	500
17	Fives Machining	Hebron	475
18	US Playing Card Co.	Erlanger	450
19	Wild Flavors	Erlanger	448
20	Innotrac	Hebron	439

source: Tri-County Economic Development Corporation (TRI-ED)

Office Hours

*Monday - Friday
8:00 am - 5:00 pm*

859-334-2196 phone
859-334-2264 fax
plancom@boonecountyky.org

Boone County Admin. Building
2950 Washington Street, Room 317
P.O. Box 958
Burlington, KY 41005



www.boonecountyky.org/pc
www.boonecountygis.com



PRIMARY SOURCE:



University of Kentucky
(2014)

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