



## How Demographics Impact Poverty Statistics

### **Background**

The information in this document has been compiled to present context regarding the level of poverty within the greater Mankato marketplace. Recently compiled statistics from the U.S. Census Bureau referenced an abnormally high rate of poverty in comparison with other regions of Minnesota. With this document, Greater Mankato Growth intends to empower all area stakeholders engaged in this issue by providing a more in-depth understanding of the defining demographics tied to our area's poverty statistics compiled by the U.S. Census Bureau.

### **Variables**

There are several variables impacting how statistics on poverty can be presented. There are multiple thresholds for poverty, different geographies (city/county/Metro), and families or individual resident data sets. Changes in these variables can greatly impact the conversation on poverty.

This document will utilize the 2013 5-year American Community Survey (ACS) data unless otherwise denoted. The Census Bureau uses a set of dollar value thresholds that vary by family size and composition to determine who is in poverty. The "individual resident" data set is used from the ACS (instead of the family data set) rather than the "family" data set because it is more comprehensive.

Another important variable to remember is that this is a national threshold. The local cost of living variations from one locality to another are not factored in.

### **Minnesota Counties**

In order to conduct a statewide comparison, county level data was utilized. Figure 1 shows that Blue Earth County has the third highest rate of poverty. Given the positive growth of many other economic indicators (jobs, GDP, population, gross sales, etc.) tied to Blue Earth County, a closer look at this ranking is necessary.

**Fig. 1 - Ten Highest Rates of Poverty (Minnesota Counties)**

<b>Geography</b>	<b>Total Population</b>	<b>Below poverty level</b>	<b>Percent below poverty level</b>
Mahnomen County	5390	1412	26.2
Beltrami County	42964	9389	21.9
Blue Earth County	61177	11749	19.2
Ramsey County	501548	84942	16.9
Wadena County	13484	2282	16.9



Clearwater County	8584	1419	16.5
Cass County	28123	4603	16.4
St. Louis County	191875	31420	16.4
Mower County	38529	6267	16.3
Nobles County	21120	3372	16

To have a better understanding of why a county ranks where it does in terms of poverty, it's important to look at the demographics of the county. Specifically, data points which would most significantly impact the income of an individual. At a foundational level, the age of an individual will impact their income more than any other variable.

The U.S. Census has designated age groups or cohorts. The 18-24 year olds have the highest rate of poverty among all age cohorts. Figure 2 shows that Blue Earth County has the highest percentage of 18-24 year olds in the state of Minnesota. In fact, it has double the percentage of college aged students as compared to the 10<sup>th</sup> ranked county (Lyon).



**Fig. 2 – College Age Population**

Geography	Total pop. Below poverty level	18 to 24 years below poverty level	% of Total Pop. 18 - 24
Blue Earth County, MN	11749	6455	<b>19.09%</b>
Stevens County, MN	1403	854	<b>16.46%</b>
Winona County, MN	7087	3804	<b>15.84%</b>
Clay County, MN	6843	2368	<b>12.44%</b>
Beltrami County, MN	9389	2029	<b>12.27%</b>
Stearns County, MN	18715	6441	<b>12.08%</b>
Scott County, MN	7197	923	<b>11.02%</b>
Ramsey County, MN	84942	16024	<b>10.26%</b>
Benton County, MN	5519	1218	<b>9.90%</b>
Lyon County, MN	3546	1047	<b>9.86%</b>

In addition to having the highest rate of 18-24 year olds, Blue Earth County has the second highest rate of poverty among 18 – 24 year olds: 55.27% (Stevens County, another county with a disproportionately high college student population, is the highest at 56.97%).

Figure 3 shows the rates of poverty for each age group in Blue Earth and Nicollet Counties.



**Fig. 3 – Poverty Rates of Age Groups**

<b>Age Cohort</b>	<b>Blue Earth</b>	<b>Nicollet</b>
18 - 24	55.27%	33.23%
25 - 34	12.53%	11.24%
35 - 44	9.80%	6.56%
45 - 54	7.78%	8.56%
55 - 64	6.33%	4.08%
65 - 74	6.35%	7.11%
75 and over	11.95%	8.94%

### **Summary**

When comparing Blue Earth County to the other 86 counties in Minnesota in poverty rates of age cohorts other than 18 – 24, Blue Earth ranks from 37<sup>th</sup> to 46<sup>th</sup> in terms of poverty rate for each of those other age groups. Figure 4 on the subsequent pages presents the rankings for all of the counties in Minnesota.

This data clearly signals that the college age population in Blue Earth County is a data outlier and significantly impacts the overall poverty statistics.



**Fig. 4 – County Poverty Rankings by Age Cohort**

County	18 - 24	25 - 34	35 - 44	45 - 54	55 - 64	65 - 74	75+
Aitkin County, MN	33	17	23	7	16	26	38
Anoka County, MN	81	78	69	70	69	59	77
Becker County, MN	28	33	33	36	12	31	39
Beltrami County, MN	6	3	3	2	9	11	63
Benton County, MN	15	11	45	48	56	8	43
Big Stone County, MN	26	79	30	21	15	79	22
Blue Earth County, MN	2	40	39	37	46	38	44
Brown County, MN	57	36	52	87	63	40	6
Carlton County, MN	47	26	36	4	4	39	30
Carver County, MN	79	87	86	83	82	67	36
Cass County, MN	9	9	7	3	23	43	60
Chippewa County, MN	83	16	70	15	64	51	42
Chisago County, MN	75	59	75	46	70	45	67
Clay County, MN	10	49	43	64	47	69	79
Clearwater County, MN	55	5	16	18	5	2	11
Cook County, MN	16	66	61	32	84	87	87
Cottonwood County, MN	38	15	20	20	1	72	10
Crow Wing County, MN	23	18	34	25	25	42	68
Dakota County, MN	70	81	65	77	78	65	85
Dodge County, MN	74	83	84	65	80	73	57
Douglas County, MN	12	48	57	45	40	55	32
Faribault County, MN	35	37	27	52	29	47	20
Fillmore County, MN	59	43	18	42	45	16	14
Freeborn County, MN	51	42	9	71	31	32	55
Goodhue County, MN	63	73	37	53	48	64	37
Grant County, MN	85	72	17	59	65	34	25
Hennepin County, MN	25	45	40	24	27	19	71
Houston County, MN	49	32	58	50	62	35	24
Hubbard County, MN	36	14	8	10	34	48	50
Isanti County, MN	66	61	73	56	30	77	82
Itasca County, MN	41	24	14	16	26	20	80
Jackson County, MN	31	38	26	61	85	53	12
Kanabec County, MN	62	31	10	5	20	17	61
Kandiyohi County, MN	27	21	35	26	67	83	75
Kittson County, MN	60	60	79	29	49	52	4
Koochiching County, MN	19	10	2	12	8	37	48
Lac qui Parle County, MN	64	54	53	54	76	75	46
Lake County, MN	8	2	22	34	33	76	86
Lake of the Woods County, MN	18	84	76	81	39	5	70
Le Sueur County, MN	24	71	72	86	61	28	65
Lincoln County, MN	76	74	68	57	57	21	9
Lyon County, MN	4	30	44	41	75	62	51
Mahnomen County, MN	14	1	1	1	3	4	1
Marshall County, MN	54	85	66	68	52	46	17
Martin County, MN	87	20	49	44	37	71	26
McLeod County, MN	67	65	62	79	50	85	66
Meeker County, MN	78	70	25	43	53	44	7



County	18 - 24	25 - 34	35 - 44	45 - 54	55 - 64	65 - 74	75+
Mille Lacs County, MN	37	8	41	19	28	24	35
Morrison County, MN	53	58	32	11	7	3	8
Mower County, MN	21	4	5	73	35	23	54
Murray County, MN	77	67	47	60	18	54	18
Nicollet County, MN	13	50	67	27	77	27	73
Nobles County, MN	11	13	11	30	51	50	33
Norman County, MN	56	28	31	49	24	7	53
Olmsted County, MN	43	57	78	78	68	57	76
Otter Tail County, MN	30	22	42	40	43	49	15
Pennington County, MN	45	64	56	51	19	9	16
Pine County, MN	44	6	28	6	11	12	28
Pipestone County, MN	80	68	29	69	21	10	3
Polk County, MN	22	35	50	23	32	15	29
Pope County, MN	42	77	54	62	13	74	45
Ramsey County, MN	17	23	12	13	14	33	59
Red Lake County, MN	50	39	82	47	10	81	13
Redwood County, MN	65	53	51	39	71	14	49
Renville County, MN	71	51	21	33	42	41	34
Rice County, MN	39	25	48	76	55	78	56
Rock County, MN	46	46	6	22	83	25	27
Roseau County, MN	40	63	59	66	87	61	21
Scott County, MN	82	86	81	84	60	60	72
Sherburne County, MN	68	69	80	58	58	63	40
Sibley County, MN	48	52	74	38	36	68	19
St. Louis County, MN	5	19	13	9	17	22	74
Stearns County, MN	7	41	71	28	41	18	52
Steele County, MN	73	44	38	80	59	6	47
Stevens County, MN	1	55	55	67	86	56	83
Swift County, MN	32	76	24	63	44	84	31
Todd County, MN	29	12	15	17	22	13	5
Traverse County, MN	61	29	46	82	6	86	81
Wabasha County, MN	69	80	77	55	79	58	23
Wadena County, MN	34	7	4	14	2	30	2
Waseca County, MN	52	56	85	35	66	36	69
Washington County, MN	84	82	83	85	73	82	78
Watonwan County, MN	72	27	63	31	38	80	58
Wilkin County, MN	58	34	64	75	54	1	64
Winona County, MN	3	47	60	72	74	29	41
Wright County, MN	86	75	87	74	72	66	62
Yellow Medicine County, MN	20	62	19	8	81	70	84



**A Closer Look: College Town Comparisons\***

Note: For the purposes of this analysis, a “College Town” is a community with a higher than average percentage of 18-24 year olds.

Mankato’s 18-24 population is 27.5% of the total population. In “College Towns” like Saint Cloud and Duluth, this cohort represents 20% and 16.7% respectively. In “Non-college towns” such as Rochester and North Mankato it represents 9.5% and 8.3% respectively. The average percentage of college aged residents in Minnesota cities is 7.4%

The 18-24 age cohort has a 61.5% poverty rate in Mankato. When looking at other “college towns” within Metropolitan Statistical Areas (MSAs) - the city of Saint Cloud has a 47.5% poverty rate for this cohort and the city of Duluth has a 49.7% poverty rate. “Non-college towns” - Rochester is at 26% and North Mankato is at 25% for this age cohort.

Below are other communities of note:

**Fig. 5 - Percent of 18-24 year olds in Poverty (City)**

	Bemidji	Duluth	Mankato	Marshall	Morris	North Mankato	Rochester	St. Cloud	Winona
Age 18-24 Below Poverty Line	49.5%	49.7%	61.5%	54.4%	66.3%	26.5%	25.1%	47.5%	66.6%

When poverty rates are determined excluding the 18 – 24 age cohort,, Mankato has a lower poverty rate in comparison to other “College Towns” within MSAs Saint Cloud and Duluth:

City	Poverty rate excluding 18 – 24 age cohort
Mankato	10.4%
Saint Cloud	13.2%
Duluth	12.4%

\*U.S. Census, ACS, 2012 5 year estimates