



Rural Pennsylvania

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Pockets of Rural Prosperity

Pennsylvania's rural areas are often characterized as having lower incomes and lower housing values than urban areas. This characterization isn't universally accurate, however, since there are some impressive pockets of wealth within rural Pennsylvania. To highlight the diversity of wealth among Pennsylvania's rural municipalities, the Center for Rural Pennsylvania analyzed the characteristics of rural municipalities whose median household incomes and median housing values were above 125 percent of the statewide median.

Method

For the analysis, the Center for Rural Pennsylvania used Census 2000 data and identified a municipality as "affluent" when its median household income and median housing value (owner-occupied) were above 125 percent of the statewide medians.

The Census 2000 statewide median household income was \$40,106, which means that half of the households had incomes above this figure, and half had incomes below. The median value of owner-occupied housing

units (or housing values) was \$97,000. To meet the criteria for being affluent, a municipality had to have a median household income of \$50,133 or higher and a median housing value of \$121,250 or greater. While the 125 percent of median threshold was selected somewhat arbitrarily, it allowed the Center to identify municipalities with comparatively high levels of wealth while ensuring that there were an adequate number of rural and urban municipalities included in the analysis.

For the analysis, a municipality was considered rural when its population density was less than 274 persons per square mile or its total population was less than 2,500 unless more than 50 percent of the population lived in an urbanized area, as defined by the U.S. Census Bureau. All other municipalities were considered urban.

Other sources of information used in this analysis include municipal finance statistics from the Center for Local Government Services and education expenditure data from the Pennsylvania Department of Education.

Findings

Number of Municipalities

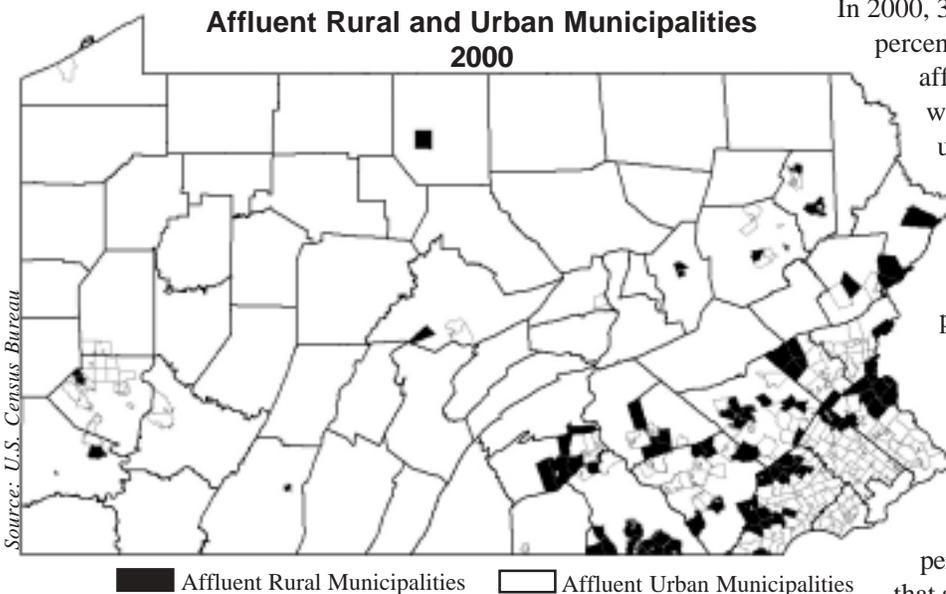
In 2000, 312 Pennsylvania municipalities, or 12 percent, met the criteria of affluence. Of these affluent municipalities, 92, or 29 percent, were rural, and 220, or 71 percent, were urban.

Affluent rural municipalities comprise 6 percent of the 1,654 rural municipalities in Pennsylvania. Urban affluent municipalities make up 24 percent of the 912 urban municipalities.

Geographically, 59 percent of all affluent rural municipalities are located in southeastern and south central Pennsylvania. The majority, 89 percent, of these municipalities are townships.

Affluent boroughs comprise the other 11 percent of the total. The map at left shows that affluent rural municipalities are generally

Affluent Rural and Urban Municipalities
2000



Source: U.S. Census Bureau

clustered together and located near affluent urban municipalities.

Over the last 20 years, the number of affluent rural municipalities has increased. In 1990, 75 rural municipalities had both median household incomes and housing values that were 125 percent of the statewide median. In 1980, only 28 municipalities met the criteria for affluence.

In each of the following socio-demographic categories, characteristics of rural affluent municipalities are compared to all municipalities statewide.

Demographics

Among the 92 rural affluent municipalities, the average population in 2000 was about 3,270. Between 1990 and 2000, these municipalities had a 17 percent population increase. Along with the increase in population, these municipalities saw a surge in new households. During the 1990s, the number of households in rural affluent municipalities increased 21 percent and the number of married-couples-with-children households increased 4 percent. Statewide during this period, there was only a 6 percent increase in households, and the number of married-couples-with-children households decreased 8 percent.

In 2000, affluent rural municipalities had a higher percentage of youth (27 percent) and a lower percentage of senior citizens (12 percent) than other municipalities. Statewide, youth comprised only 24 percent of the population and seniors made up 16 percent.

The average age of residents in rural affluent municipalities was 37, or one year younger than the statewide average.

In 2000, residents living in affluent rural municipalities made up 10 percent of the total rural population. Residents living in affluent urban municipalities comprised nearly 26

percent of the total urban population.

Approximately 3 percent of the residents in affluent rural municipalities lived on a farm. Of the state's total farm population, nearly 9 percent or 85,370, lived in affluent rural municipalities.

Housing

In addition to the increases in population and households, there was an increase in housing units. During the 1990s, rural affluent municipalities had a 19 percent increase in housing units. In comparison, there was only a 6 percent increase in housing units statewide during this period.

The homeownership rate in affluent rural municipalities is higher than the statewide rate. In 2000, more than 86 percent of occupied units were owner-occupied, and the number of owner-occupied units increased 21 percent between 1990 and 2000. Statewide during this period, only 71 percent of homes were owner-occupied and there was only a 7 percent increase in the number of owner-occupied units. The majority of homes, 81 percent, in rural affluent municipalities are single-family units. Statewide, less than 56 percent of the housing units are single-family.

The average value of a specified owner-occupied home in an affluent rural municipality was \$166,080, or \$45,600 above the statewide average. Within these municipalities, about 3 percent of the housing units were valued at \$500,000 or more. Nearly 72 percent of the homes in these municipalities were mortgaged. The average monthly mortgage was \$1,332.

Among the rural affluent municipalities in 2000, about 14 percent of the housing units were rental. The average gross monthly rent was \$670, or \$100 above the statewide average.

Employment

Rural affluent municipalities are not employment hubs. More than 87 percent of employed persons living in these municipalities travel outside their municipality to work. The average commuting time is 29 minutes. Once at work, the majority of these persons, or 70 percent, are employed as managers, professionals or white-collar workers, such as architects, engineers, physicians, and attorneys.

In 2000, the average household income from wages and salaries in affluent rural municipalities was about \$62,460, or \$10,240 above the statewide average. Between 1990 and 2000, adjusted for inflation, the average household income in these municipalities from wages and salaries increased 10 percent; statewide there was only a 6 percent increase.

Affluent rural municipalities had an unemployment rate of about 3 percent in 2000. Statewide, the unemployment rate was 6 percent.

Income/Poverty

Census 2000 reported that the average household income of affluent rural municipalities from all sources was nearly \$67,230, or \$13,610 above the statewide average. Adjusted for inflation, the average household income in these municipalities increased 11 percent between 1990 and 2000. Statewide during this period, the average household income increased 7 percent.

Seventy-six percent of household income in affluent rural municipalities is from wages and salaries. Other sources of income include interest, dividends, and rent. In 2000, approximately 50 percent of the households in these communities reported income from these sources. The average amount received was \$8,600.

Pennsylvania's Rural Affluent Municipalities, 2000*

Despite the affluence of some rural municipalities, other rural municipalities are still experiencing poverty. In 2000, approximately 4 percent of the rural population in all municipalities lived below the poverty threshold for an average of 143 people per municipality.

Education

Rural affluent municipalities have nearly the same percentage of adults with college degrees as the statewide average of 23 percent. Between 1990 and 2000, the number of adults with a college degree increased 60 percent. Statewide, there was a 41 percent increase.

School districts within which rural affluent municipalities are located generally spend less per student than the statewide rate. According to data from the Pennsylvania Department of Education, during the 2002 school year, the total expenditures for these districts were \$8,971 per student; the statewide rate was \$9,188.

Between the 1992 and 2002 school years, enrollment in school districts that included affluent rural municipalities increased 15 percent. However, over the next 10 years (2002 to 2012), the Pennsylvania Department of Education projects that enrollment in these school districts will decline about 3 percent. Statewide, the department is projecting a 9 percent decline.

Local Governments

Living in a rural affluent municipality does not necessarily mean paying more local taxes. According to data from the Center for Local Government Services, in 2000, the total municipal tax receipts in affluent rural municipalities was \$155 per capita. Statewide, the rate was \$453 per capita. In addition, on a per capita basis, real estate taxes are nearly 65 percent below the statewide rate.

On average, affluent rural municipalities have seven full-time municipal employees; however 17 percent rely entirely on part-time employees.

		Median Housing Values, 2000	Median Household Income, 2000
		\$97,000	\$40,106
Pennsylvania (Statewide)			
Allegheny	Bell Acres Borough	\$124,600	\$61,094
Allegheny	Sewickley Heights Borough	\$622,800	\$115,672
Berks	Brecknock Township	\$144,400	\$61,903
Berks	District Township	\$149,100	\$53,233
Berks	Douglass Township	\$128,900	\$52,306
Berks	Earl Township	\$136,900	\$51,976
Berks	Greenwich Township	\$140,300	\$51,250
Berks	Jefferson Township	\$126,100	\$51,532
Berks	North Heidelberg Township	\$150,800	\$56,648
Berks	Oley Township	\$123,900	\$52,151
Berks	Penn Township	\$123,800	\$55,000
Berks	Pike Township	\$142,700	\$58,036
Berks	Robeson Township	\$127,000	\$54,395
Berks	Rockland Township	\$143,300	\$59,280
Berks	Ruscombsmanor Township	\$142,700	\$56,813
Berks	Washington Township	\$145,900	\$53,241
Bucks	Bedminster Township	\$183,100	\$56,281
Bucks	Bridgeton Township	\$168,400	\$52,083
Bucks	Durham Township	\$205,300	\$70,875
Bucks	Haycock Township	\$174,300	\$61,061
Bucks	New Hope Borough	\$285,700	\$60,833
Bucks	Nockamixon Township	\$190,900	\$60,231
Bucks	Springfield Township	\$162,500	\$60,061
Bucks	Tinicum Township	\$232,300	\$60,843
Bucks	West Rockhill Township	\$158,100	\$50,948
Centre	Halfmoon Township	\$148,400	\$62,198
Chester	East Nantmeal Township	\$240,200	\$72,375
Chester	Elk Township	\$164,300	\$60,380
Chester	Elverson Borough	\$184,200	\$57,813
Chester	Highland Township	\$143,800	\$55,500
Chester	Honey Brook Township	\$165,700	\$50,609
Chester	Londonderry Township	\$163,500	\$54,750
Chester	Newlin Township	\$205,800	\$68,828
Chester	South Coventry Township	\$166,100	\$62,857
Chester	Upper Oxford Township	\$153,900	\$61,094
Chester	Wallace Township	\$229,200	\$86,881
Chester	Warwick Township	\$169,000	\$56,771
Chester	West Fallowfield Township	\$137,400	\$50,833
Chester	West Marlborough Township	\$171,600	\$52,283
Chester	West Nantmeal Township	\$177,900	\$52,128
Chester	West Sadsbury Township	\$136,700	\$52,031
Chester	West Vincent Township	\$327,500	\$92,024
Columbia	Orange Township	\$123,400	\$52,917
Cumberland	Dickinson Township	\$127,700	\$51,363
Cumberland	Middlesex Township	\$141,400	\$50,471
Cumberland	Monroe Township	\$136,200	\$57,351
Cumberland	South Middleton Township	\$122,600	\$50,503
Dauphin	Conewago Township	\$146,300	\$58,922
Dauphin	East Hanover Township	\$137,300	\$52,009
Lackawanna	Moscow Borough	\$134,200	\$51,615
Lackawanna	North Abington Township	\$171,300	\$57,917
Lackawanna	Roaring Brook Township	\$132,900	\$52,109
Lancaster	Brecknock Township	\$134,200	\$51,505
Lancaster	Clay Township	\$126,800	\$50,543
Lancaster	Elizabeth Township	\$126,000	\$50,720
Lancaster	Martic Township	\$130,800	\$52,106
Lancaster	Sadsbury Township	\$138,900	\$53,750
Lancaster	Strasburg Township	\$142,700	\$55,750
Lebanon	Mount Gretna Borough	\$158,200	\$62,917
Lebanon	South Annville Township	\$131,100	\$51,168
Lebanon	South Londonderry Township	\$131,100	\$51,699
Lehigh	Heidelberg Township	\$137,400	\$55,030
Lehigh	Lower Milford Township	\$172,700	\$67,008
Lehigh	Lowhill Township	\$165,900	\$63,421
Lehigh	Lynn Township	\$128,100	\$53,883
Lehigh	Weisenberg Township	\$163,800	\$63,631
Luzerne	Bear Creek Village Borough	\$232,600	\$60,000
Luzerne	Rice Township	\$121,300	\$52,888
Monroe	Jackson Township	\$143,400	\$52,327
Monroe	Middle Smithfield Township	\$124,500	\$50,435
Monroe	Smithfield Township	\$140,400	\$51,607
Montgomery	Marlborough Township	\$153,400	\$60,170
Montgomery	Salford Township	\$180,800	\$66,775
Montgomery	Upper Hanover Township	\$154,400	\$65,018
Northampton	Lower Mount Bethel Township	\$138,800	\$51,568
Northampton	Williams Township	\$150,800	\$56,196
Perry	Rye Township	\$125,700	\$56,375
Pike	Dingman Township	\$133,500	\$54,866
Potter	Homer Township	\$131,600	\$50,179
Somerset	Indian Lake Borough	\$148,100	\$53,750
Washington	Green Hills Borough	\$462,500	\$94,239
Washington	Nottingham Township	\$131,200	\$57,109
York	Cross Roads Borough	\$128,000	\$57,750
York	East Hopewell Township	\$141,200	\$58,194
York	Fawn Township	\$140,500	\$54,018
York	Heidelberg Township	\$124,100	\$51,976
York	Hopewell Township	\$149,400	\$60,692
York	Manheim Township	\$144,600	\$57,407
York	Monaghan Township	\$141,900	\$57,440
York	Shrewsbury Township	\$145,900	\$58,191
York	Springfield Township	\$142,200	\$59,250
York	West Manheim Township	\$124,300	\$57,437

Data Source: U.S. Census Bureau, Census 2000.
*Affluent municipalities have a median household income and median housing values (specified owner-occupied) 125 percent of the statewide median.

Twenty-seven percent of these municipalities have a police department, with an average of four full-time and two part-time officers. Thirteen percent of these rural affluent communities purchase police services from another municipality or are part of a regional police department. About 97 percent have comprehensive plans and zoning ordinances.

Summary

As demonstrated by the data presented, rural Pennsylvania communities differ in economic prosperity. While the majority (64 percent) of rural municipalities have median housing values and household incomes below the statewide median, there are a number of rural municipalities that have median housing values and household incomes above the statewide median. Because the population of these municipalities makes up less than 10 percent of the total rural population, these affluent municipalities are often statistically “hidden.”

Second, the majority (85 percent) of rural affluent communities are clustered just outside large urban areas, especially within southeastern and south central Pennsylvania. An examination of commuting data suggests that many of these places fit the concept of a “bedroom community,” where residents live in one community and work in another. During the 1990s, these municipalities saw double digit increases in population and housing. If this growth continues, these municipalities may find it challenging to maintain their rural character in the face of this rapid growth. Similarly, residents of these municipalities may demand more services from their local governments, including more recreational opportunities, police protection, and improved highways. With relatively few employees, these municipalities are likely to experience increasing financial strains in the future.

Third, over the last 20 years the number of affluent rural communities has tripled. In comparison, affluent urban municipalities only increased 7 percent. This change could suggest that wealthier households are leapfrogging over traditional affluent urban communities and moving to adjacent rural areas. It could also suggest that residents of rural municipalities are becoming more affluent. Since 1980, inflation-adjusted per capita income in rural areas has increased nearly 38 percent. While the gap between rural and urban incomes has increased during this period, the increase in rural incomes suggests that some rural residents are becoming more prosperous.

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The Center for Rural Pennsylvania is a bipartisan, bicameral legislative agency that serves as a resource for rural policy research within the Pennsylvania General Assembly. It was created in 1987 under Act 16, the Rural Revitalization Act, to promote and sustain the vitality of Pennsylvania’s rural and small communities.

The Center for Rural Pennsylvania



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