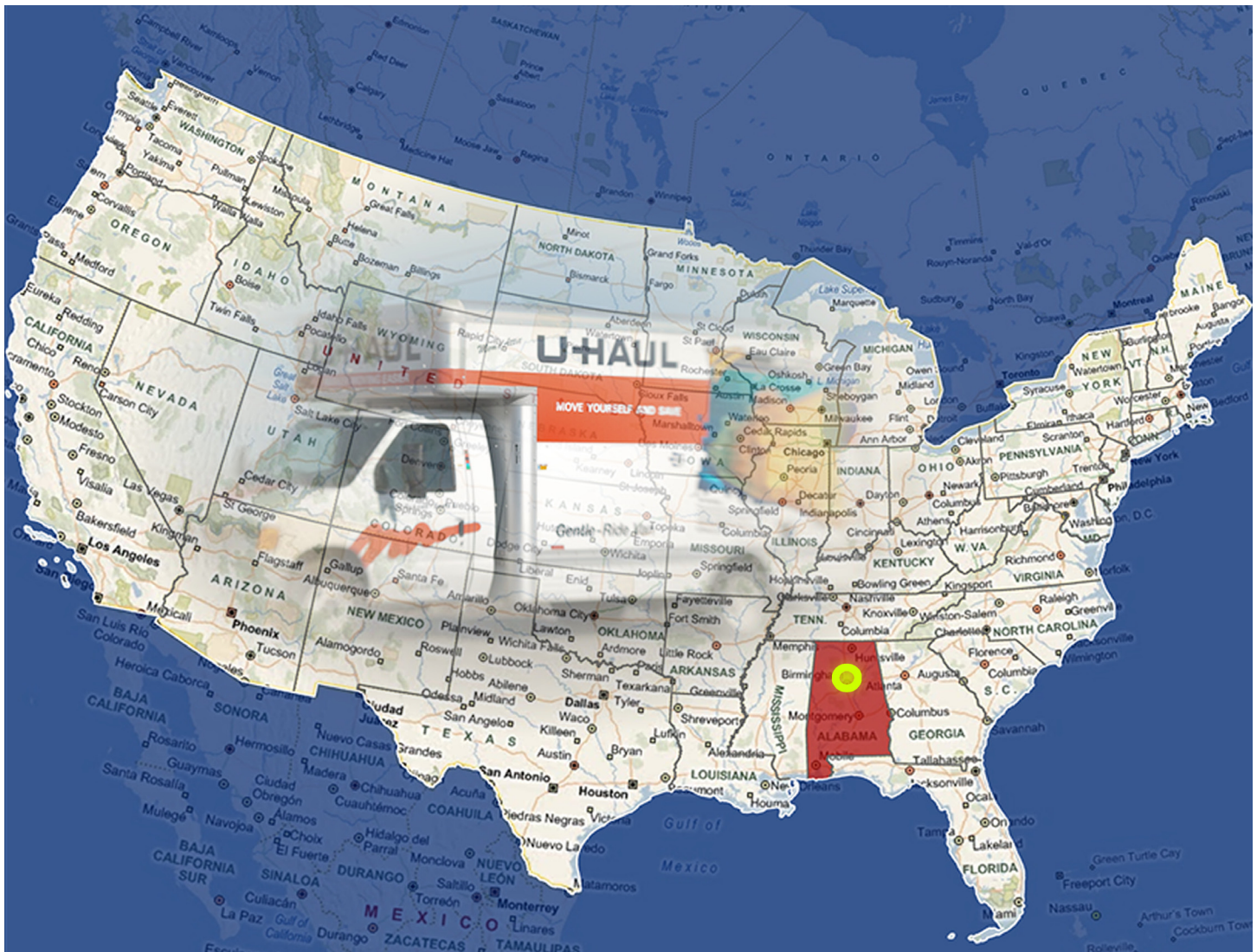


MIGRATION & INCOME FLOWS

FOR JEFFERSON COUNTY, ALABAMA

1997 - 2006

The Movement of People and Income



Regional Planning Commission
of Greater Birmingham

February, 2010

Migration is an integral part of ascertaining the population change within a given area. It affects communities, whether they are neighborhoods, counties, or metropolitan areas, through an on-going exchange of people. Migration refers to the directional movement or relocation of people either into an area or away from an area and, as a component of population change, fluctuates over time. Through an analysis of migration patterns and the resulting transfer of wealth, conclusions may be drawn as to the reasons behind these patterns and the implications regarding employment and labor, the impacts to local budgets, and the effects of existing public policies.

This report is an analysis of migration trends in Jefferson County, Alabama. Using county-to-county migration data provided by the IRS, this report illustrates where people and wealth are moving to and from in Jefferson County. The data utilized tracks the movement of tax returns (migration) and aggregate adjusted gross income between 1997 and 2007. This analysis of Jefferson County includes:

- Migration flows by state
- Migration flows by selected metropolitan areas
- Migration flows between Jefferson County and other Alabama counties
- Income flows by state
- Income flows between Jefferson County and other Alabama counties

About the Data

Unless otherwise indicated, the data for this report are from Internal Revenue Service County-to-County Migration files for the years 1997 to 2006. These data include the number of returns (migration) and total adjusted gross income. Average wages are estimated by average income per return. No estimate is provided as to fiscal impacts due to taxes on disposable income. IRS totals may not be the same due to “other” geographic categories where data cannot be georeferenced.

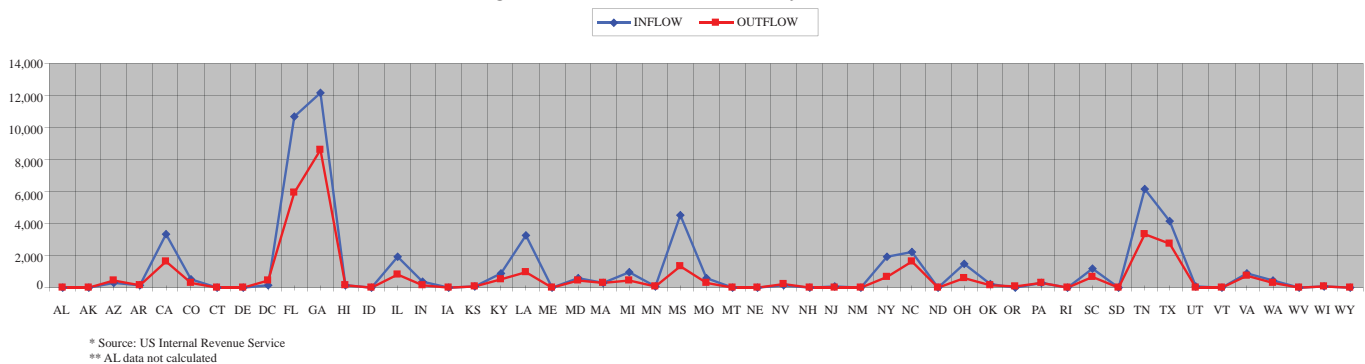
The files are based upon income tax returns aggregated between consecutive years. According to the IRS, the estimates capture about 80-85% of the population of an area. The data used is for informational purposes and should only be used for analysing trends and data comparisons. The data should not be used for official population estimates or fiscal policy-making decisions.

Jefferson County gained residents from 38 states (excluding Alabama) and the District of Columbia between 1997 and 2006, totaling 31,692 persons, while losing 34,295 residents to 37 states and the District of Columbia. The majority of migration inflows comes from the Southeast, with 6,088 persons moving to Jefferson County from the State of Georgia, 5,383 from Florida, 3,071 from Tennessee, and 2,385 from Mississippi. Migration inflows from Southeastern states totaled over 21,600, comprising 68% of all migration inflows.

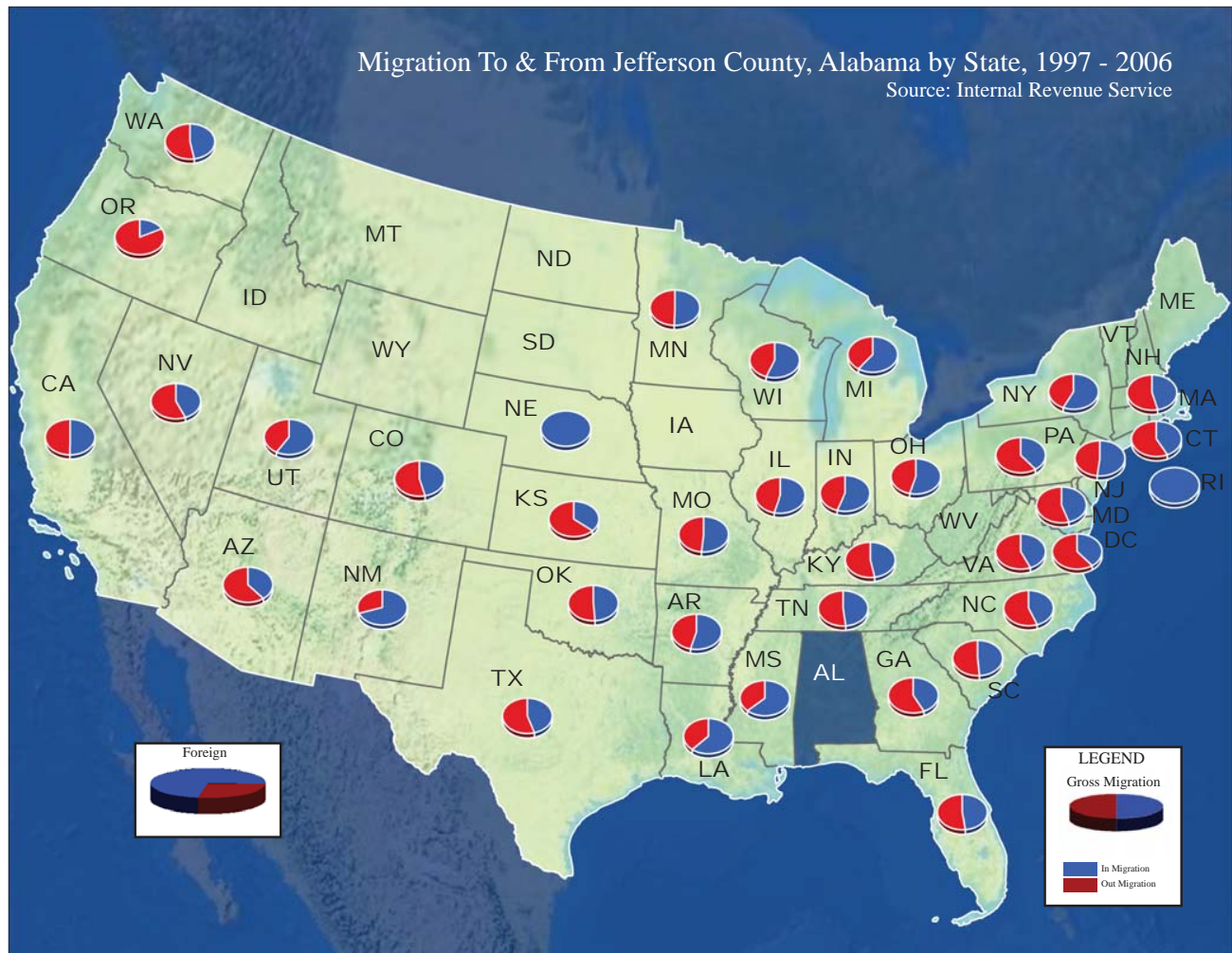
States receiving the greatest numbers of out migration include Georgia with 8,626, Florida with 5,933, and Tennessee with 3,343. Southeastern states were also the primary destinations for residents moving from Jefferson County, totaling nearly 23,000 or 67% of all destinations.

Foreign inflows exceeded foreign outflows in Jefferson County, with 3,370 persons migrating into the county while 1,276 migrated out to live abroad.

Migration Inflows & Outflows by State, 1997 - 2006



Migration To & From Jefferson County, Alabama by State, 1997 - 2006
 Source: Internal Revenue Service



Between 1997 and 2006, migration flows into Jefferson County averaged 11,814 residents while migration outflows averaged 12,884 residents. The resulting average annual net loss of 1,070 residents may have a long term effect on the population estimates for Jefferson County, but it represents less than 1% of the county's population. Other factors such as birth and death rates will overshadow that loss, making it essentially statistically insignificant in terms of overall impact.

The implications of this trend, however, have a broader impact on the County's economic well being, existing and future business retention, and tax base. While the flows of migration into and out of Jefferson County have remained relatively constant and with little impact, the population trends estimated by the U.S. Census Bureau illustrate a slow but steady decline in the resident population.

Jefferson County Migration, 1997 - 2006

YEAR	TOTAL POPULATION	TOTAL MIGRATION		
		IN	OUT	NET
1997	664,268	11,653	12,561	-908
1998	664,457	11,957	13,143	-1,186
1999	662,845	12,030	13,080	-1,050
2000	662,192	11,682	12,966	-1,284
2001	662,309	11,621	12,904	-1,283
2002	661,309	11,479	12,434	-955
2003	659,317	11,587	12,497	-910
2004	658,907	11,840	12,907	-1,067
2005	658,114	12,413	13,061	-648
2006	659,403	11,876	13,289	-1,413

Source: Internal Revenue Service & the U.S. Bureau of the Census

Common Migration Terms

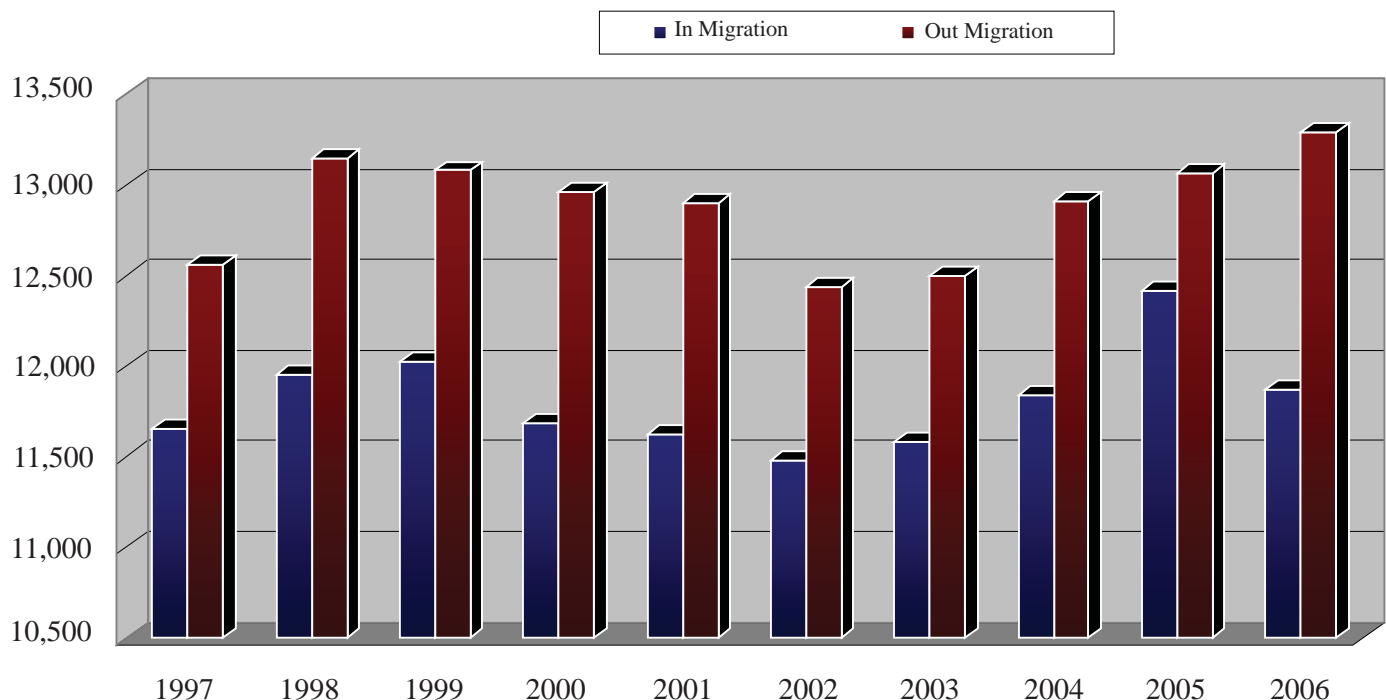
Migration flows - Refers to the directional movement or relocation of the resident population, either into or out of a specific place.

In Migration - Migration into an area during a given period of time. A migration inflow is in migration to a particular area.

Out Migration - Migration out of an area during a given period of time. A migration outflow is out migration from a particular area.

Gross Migration - Refers to the sum of in migration and out migration, or inflow and outflow, for an area for a given period of time. This is a measure of the total amount of movement in and out of an area.

Net Migration - The difference between in migration and out migration, or inflow and outflow, during a given period of time. A positive net, or net in migration, indicates that more migrants entered an area than left an area during that time. A negative net, or net out migration, means more migrants moved out of an area than entered it.

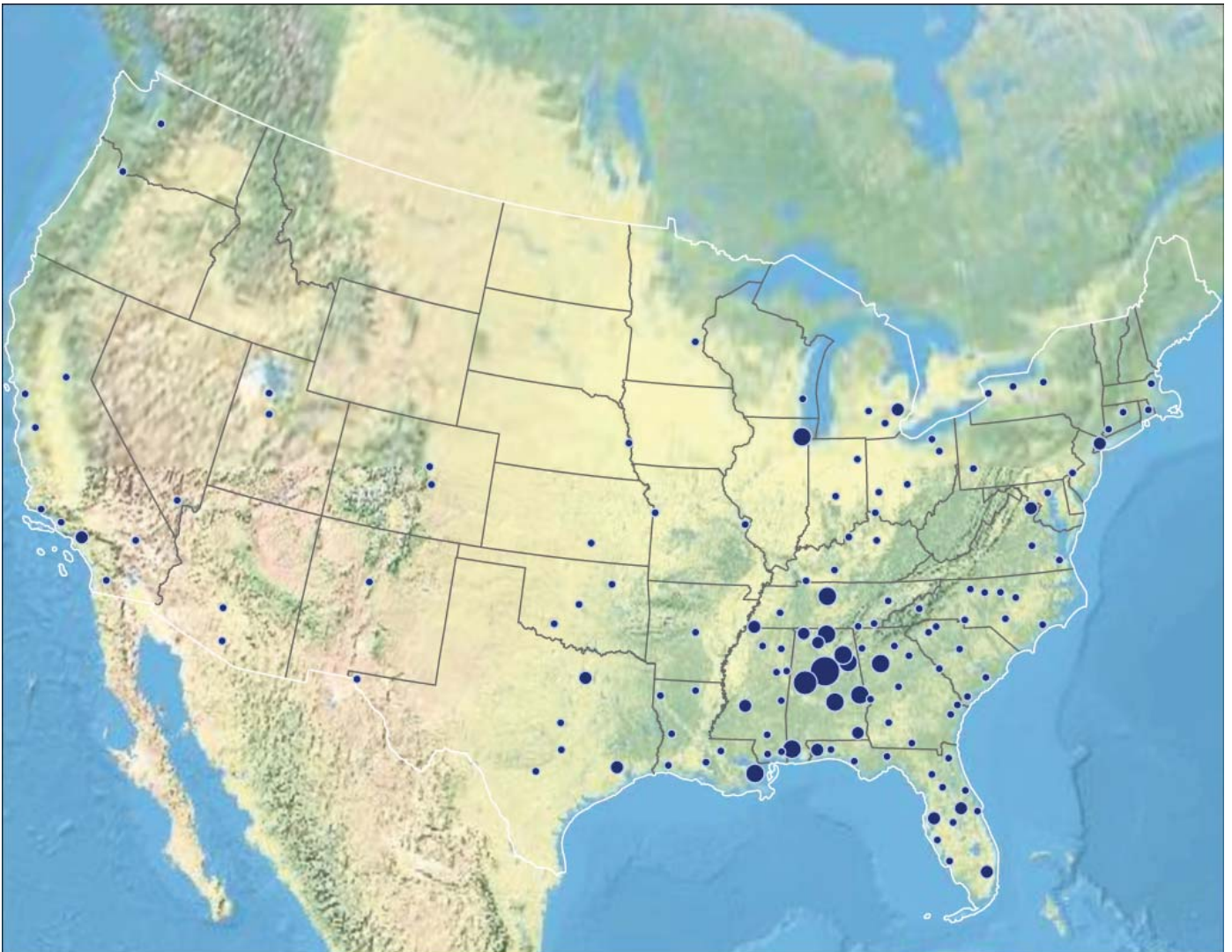


METRO MIGRATION INTO JEFFERSON COUNTY

Between 1997 and 2006, Jefferson County received over 83,000 immigrants into the county from 135 metropolitan areas across the nation, including those within the State of Alabama. As illustrated below, the majority of inflows from outside the state occur within neighboring states, however, the majority of all inflows come from within the State's own metropolitan areas and especially from counties within the Birmingham-Hoover MSA.

The chart at right identifies the top 20 origins of Jefferson County migration inflows. Over 31,000 of all inflows originated within Birmingham-Hoover MSA counties. From these top 20 origin MSA's, 10 of Alabama's 11 MSA's are represented. Outside the state, the Atlanta metro area was the origin of the majority of out-of-state inflows, however the total only consisted of 6% of total inflows. Other out-of-state MSA's that made notable contributions to Jefferson County inflows were the Nashville, New Orleans, Chicago, and Dallas MSA's.

METROPOLITAN STATISTICAL AREAS	IN MIGRATION
Birmingham-Hoover (AL)	31,216
Tuscaloosa (AL)	5,498
Atlanta-Sandy Springs-Marietta (GA)	4,920
Montgomery (AL)	3,940
Huntsville (AL)	2,817
Mobile (AL)	2,277
Anniston-Oxford (AL)	1,489
Gadsden (AL)	1,482
Auburn-Opelika (AL)	1,432
Nashville-Davidson-Murfreesboro-Franklin (TN)	1,376
New Orleans-Metairie-Kenner (LA)	1,178
Chicago-Naperville-Joliet (IL)	1,043
Decatur (AL)	960
Florence-Muscle Shoals (AL)	917
Dallas-Fort Worth-Arlington (TX)	890
Miami-Fort Lauderdale-Pompano Beach (FL)	879
Jackson (MS)	844
Memphis (TN)	840
New York-Northern New Jersey-Long Island (NY)	821
Pensacola-Ferry Pass-Brent (FL)	819

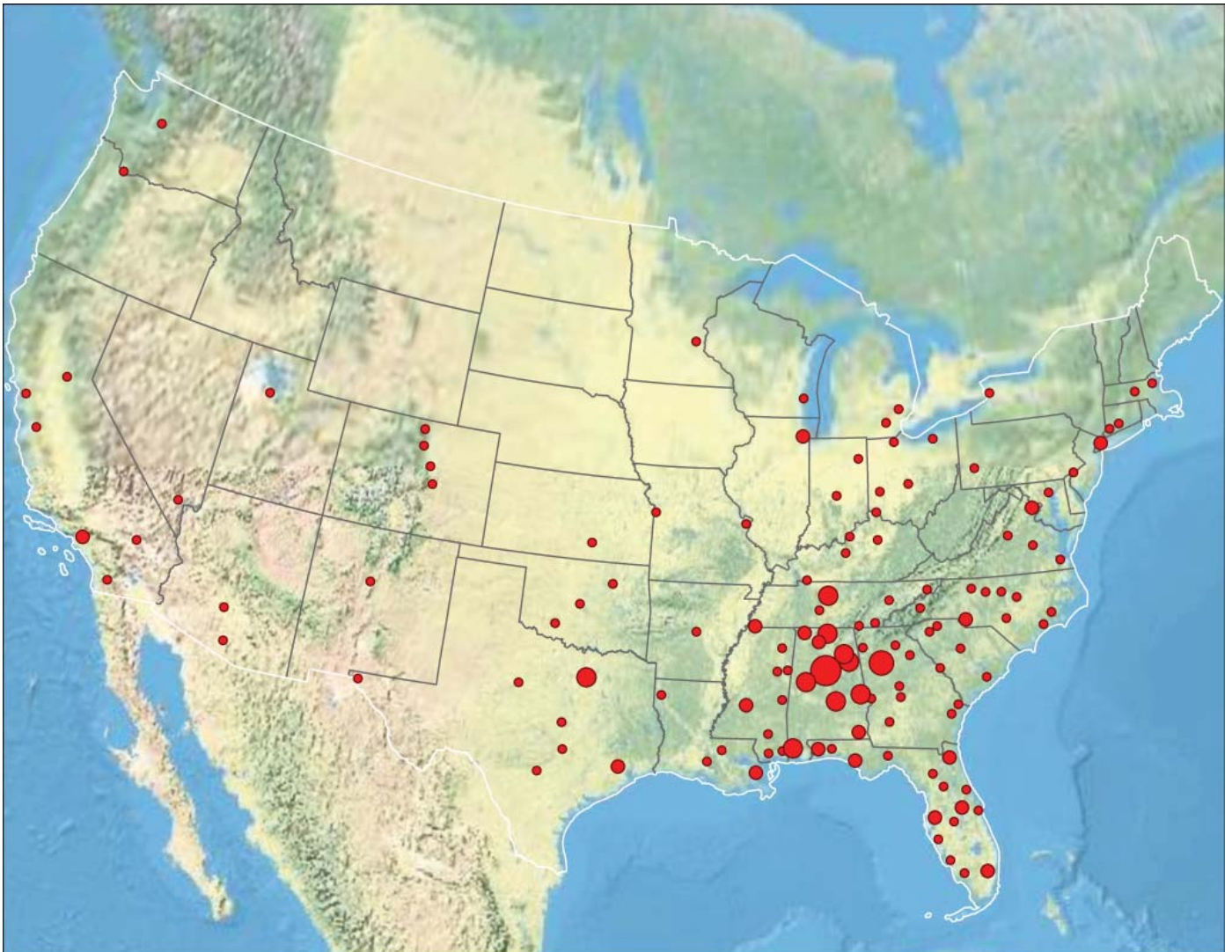


METRO MIGRATION OUT OF JEFFERSON COUNTY

The migration outflows between 1997 and 2006 totaled nearly 99,000 residents moving to other metropolitan areas across the nation, including those within the State of Alabama. Similar to the inflows, the majority of outflows going outside the state occur within neighboring states. However, the majority of all outflows from Jefferson County, nearly 49,000 or 49% are locating within other Birmingham-Hoover metro area counties.

The chart at right identifies the top 20 destinations of Jefferson County migration outflows. From these top 20 destination MSA's, 9 of Alabama's 11 MSA's are represented. Outside the state, the Atlanta metro area was the destination of the majority of out-of-state outflows, consisting of 8% of total outflows. Other out-of-state MSA's that received residents from Jefferson County include Nashville, Dallas, Washington D.C., Tampa, Pensacola, and Houston MSA's. The total outflows to out-of-state MSA's make up about 34% of all migration outflows from Jefferson County.

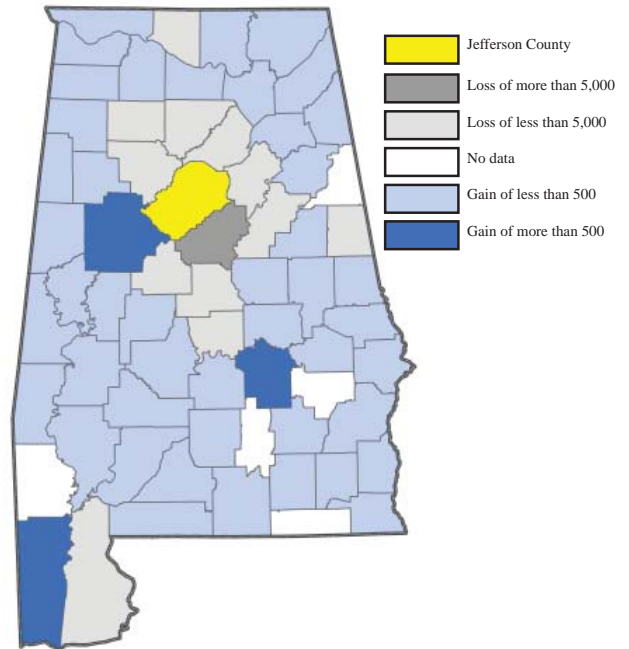
METROPOLITAN STATISTICAL AREAS	OUT MIGRATION
Birmingham-Hoover (AL)	48,935
Atlanta-Sandy Springs-Marietta (GA)	7,657
Tuscaloosa (AL)	4,621
Montgomery (AL)	2,922
Huntsville (AL)	2,535
Nashville-Davidson-Murfreesboro-Franklin (TN)	1,742
Mobile (AL)	1,629
Dallas-Fort Worth-Arlington (TX)	1,215
Auburn-Opelika (AL)	1,084
Anniston-Oxford (AL)	1,058
Gadsden (AL)	1,048
Washington-Arlington-Alexandria (DC)	902
Tampa-St. Petersburg-Clearwater (FL)	894
Pensacola-Ferry Pass-Brent (FL)	861
Houston-Sugar Land-Baytown (TX)	851
Chicago-Naperville-Joliet (IL)	805
Los Angeles-Long Beach-Santa Ana (CA)	758
Miami-Fort Lauderdale-Pompano Beach (FL)	757
Memphis (TN)	754
Decatur (AL)	702



JEFFERSON COUNTY NET MIGRATION BY COUNTIES, 1997 - 2006

The migration flows within Alabama, between Jefferson County and other counties, are more pronounced and imply a more localized economic connection. The flows in and out of Jefferson County make up the largest percentages of migration. Jefferson County received about 62,600 residents from Alabama counties between 1997 and 2006, with the majority coming from Shelby County with nearly 18,000.

The map at right identifies the net migration of Jefferson County to and from all other Alabama counties. As shown, Jefferson County lost more residents to Shelby County than any other, with other outlying counties also receiving residents from Jefferson County. Conversely, Jefferson County gained residents from the metro counties of Tuscaloosa, Montgomery, and Mobile.



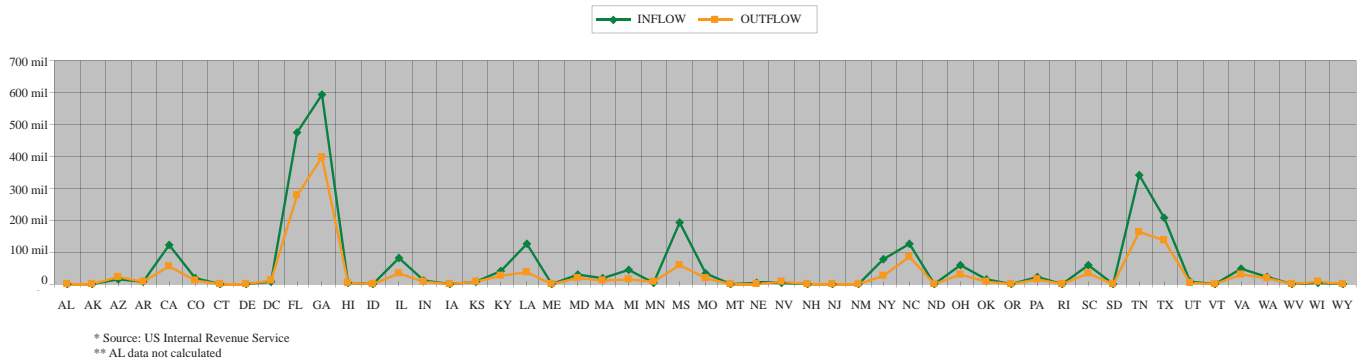
COUNTY	JEFFERSON COUNTY MIGRATION		
	INFLOW	OUTFLOW	NET FLOW
Autauga	361	363	-2
Baldwin	1,026	1,475	-449
Barber	214	44	170
Bibb	880	1,237	-357
Blount	3,526	5,642	-2,116
Bullock	0	0	0
Butler	102	10	92
Calhoun	1,489	1,058	431
Chambers	134	48	86
Cherokee	62	42	20
Chilton	725	958	-233
Choctaw	71	0	71
Clarke	172	86	86
Clay	59	24	35
Cleburne	0	0	0
Coffee	233	94	139
Colbert	339	185	154
Conecuh	30	0	30
Coosa	173	137	36
Covington	120	25	95
Crenshaw	0	0	0
Cullman	1,360	1,808	-448
Dale	212	125	87
Dallas	673	371	302
DeKalb	274	216	58
Elmore	514	505	9
Escambia	151	83	68
Etowah	1,482	1,048	434
Fayette	136	103	33
Franklin	114	24	90
Geneva	0	0	0
Greene	126	48	78
Hale	138	94	44
Henry	11	0	11

COUNTY	JEFFERSON COUNTY MIGRATION		
	INFLOW	OUTFLOW	NET FLOW
Houston	593	404	189
Jackson	147	136	11
Jefferson	0	0	0
Lamar	26	0	26
Lauderdale	578	354	224
Lawrence	74	36	38
Lee	1,432	1,084	348
Limestone	256	260	-4
Lowndes	12	0	12
Macon	91	64	27
Madison	2,561	2,275	286
Marengo	279	164	115
Marion	232	133	99
Marshall	591	531	60
Mobile	2,277	1,629	648
Monroe	90	21	69
Montgomery	3,053	2,054	999
Morgan	886	666	220
Perry	160	78	82
Pickens	147	86	61
Pike	218	151	67
Randolf	10	15	-5
Russell	127	69	58
St. Clair	5,128	9,309	-4,181
Shelby	17,949	28,699	-10,750
Sumter	270	143	127
Talladega	1,441	1,451	-10
Tallapoosa	407	356	51
Tuscaloosa	5,234	4,479	755
Walker	3,008	3,090	-82
Washington	0	0	0
Wilcox	168	76	92
Winston	249	276	-27
TOTAL	62,601	73,942	-11,341

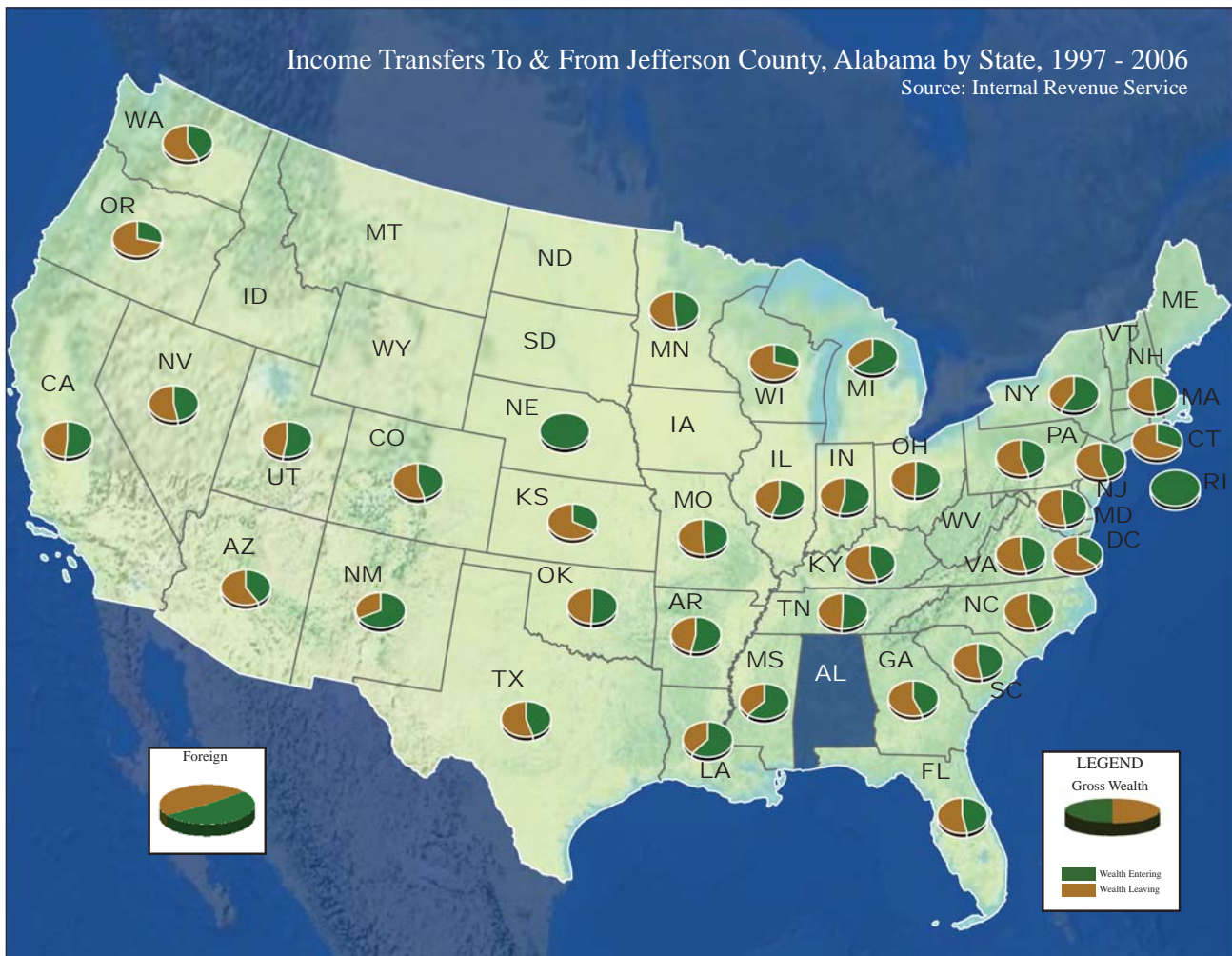
The transfer of taxable income flowing into and out of Jefferson County between 1997 and 2006 has had financial impacts on the county and municipal economies. Over the decade, the income flows into the County totaled \$4.7 billion while the outflows totaled \$5.6 billion, resulting in a net loss of about \$920 million, or an average annual net loss of \$92 million.

Income flows from other states entering Jefferson County totaled \$2.3 billion while \$2.4 billion left the County for other states. These exchanges have occurred primarily between states in the southeast where income transfers both to and from Jefferson County make up 70% of all income transfer activity. The majority of income transfers, however, occur within the State of Alabama, with \$2.4 billion entering Jefferson County from other Alabama counties, but \$3.2 billion moving out of Jefferson County for other counties. Income transfers within the State of Alabama make up more than half of all income transfer activity.

Wealth Inflows & Outflows by State, 1997 - 2006



Income Transfers To & From Jefferson County, Alabama by State, 1997 - 2006
 Source: Internal Revenue Service



Between 1997 and 2006, Jefferson County has experienced a modest increase in the annual totals of taxable income flowing into and out of the County. These increases are consistent with the cost of living and wage and salary adjustments made over time.

The average taxable income of the out-going population is about \$44,000 while the average taxable income of the population moving into Jefferson County is about \$40,000. These averages imply that the County is losing higher paid workers to other counties, and as such, is losing a larger share of taxable income, whether that be in the form of ad valorem tax, sales tax, or other taxes on disposable income.

Jefferson County Income Flows, 1997 - 2006

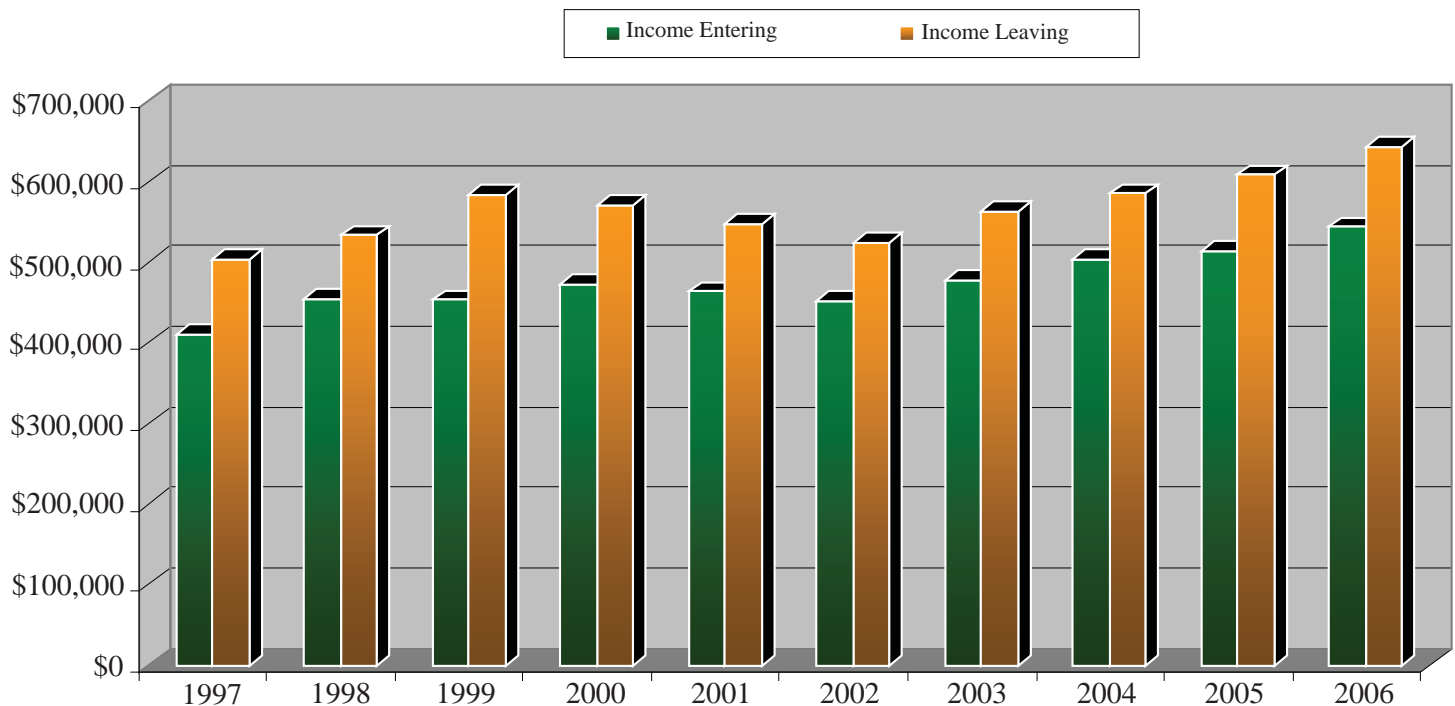
YEAR	TOTAL INCOME FLOW (thousands of \$)		
	IN	OUT	NET
1997	410,686	504,500	-93,814
1998	454,133	533,430	-79,297
1999	453,042	584,073	-131,031
2000	472,826	571,385	-98,559
2001	463,751	547,276	-83,525
2002	452,193	525,120	-72,927
2003	478,609	563,751	-85,142
2004	503,539	585,612	-82,073
2005	514,869	609,167	-94,298
2006	544,148	643,438	-99,290

Source: Internal Revenue Service

AREA	TOTAL INCOME FLOW (thousands of \$)		
	IN	OUT	NET
States (excluding Alabama)	2,324,996	2,417,124	-92,128
Foreign	39,064	36,248	2,816
Alabama	2,383,737	3,214,380	-830,643
US Metro Areas (excluding Alabama)	2,300,208	2,369,175	-68,967

Out of state income transfers indicate a net loss of nearly \$92 million over a ten year period. Foreign immigration resulted in a positive net transfer of totaling nearly \$3 million. The largest net loss of income transfer has occurred within the State of Alabama, with nearly \$830 million being lost to other Alabama counties from Jefferson County.

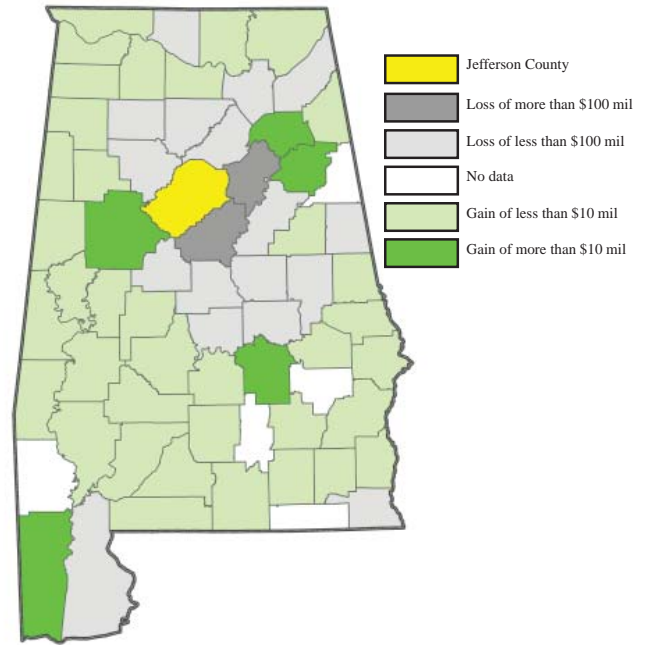
Source: Internal Revenue Service & RPC estimate



JEFFERSON COUNTY NET INCOME TRANSFER BY COUNTIES, 1997 - 2006

Income transfers between Jefferson County and other Alabama counties make up over half of all income transfer activity, particularly between adjacent counties within the Birmingham-Hoover Metropolitan area. Much of the taxable income loss from Jefferson County is not lost to other states, but rather to adjacent counties and other Alabama metro areas.

The map at right identifies the net income transfers of Jefferson County to and from all other Alabama counties. As shown, Jefferson County lost more taxable income to Shelby and St. Clair counties, with other outlaying counties also receiving taxable incomes from Jefferson County. Conversely, Jefferson County gained taxable incomes from counties including Mobile, Montgomery, Tuscaloosa, Etowah, and Calhoun.



COUNTY	JEFFERSON COUNTY AGGREGATE GROSS TAXABLE INCOME FLOWS (thousands of \$)		
	INFLOW	OUTFLOW	NET FLOW
Autauga	12,580	14,071	-1,491
Baldwin	38,298	75,365	-37,067
Barber	5,911	1,411	4,500
Bibb	25,043	36,267	-11,224
Blount	113,875	210,712	-96,837
Bullcock	0	0	0
Butler	2,947	329	2,618
Calhoun	47,585	36,298	11,287
Chambers	3,209	1,186	2,023
Cherokee	1,725	1,573	152
Chilton	21,018	36,148	-15,130
Choctaw	1,398	0	1,398
Clarke	4,662	1,905	2,757
Clay	1,524	644	880
Cleburne	0	0	0
Coffee	7,005	3,445	3,560
Colbert	10,779	6,679	4,100
Conecuh	1,166	0	1,166
Coosa	4,280	5,339	-1,059
Covington	3,391	682	2,709
Crenshaw	0	0	0
Cullman	47,938	72,758	-24,820
Dale	5,531	3,579	1,952
Dallas	15,760	8,077	7,683
DeKalb	7,836	8,637	-801
Elmore	17,188	19,021	-1,833
Escambia	4,109	2,581	1,528
Etowah	48,895	34,512	14,383
Fayette	3,974	2,993	981
Franklin	3,338	637	2,701
Geneva	0	0	0
Greene	2,806	933	1,873
Hale	3,440	2,209	1,231
Henry	148	0	148

COUNTY	JEFFERSON COUNTY AGGREGATE GROSS TAXABLE INCOME FLOWS (thousands of \$)		
	INFLOW	OUTFLOW	NET FLOW
Houston	23,295	23,790	-495
Jackson	5,058	4,960	98
Jefferson	0	0	0
Lamar	724	0	724
Lauderdale	17,128	13,602	3,526
Lawrence	1,980	964	1,016
Lee	38,762	34,551	4,211
Limestone	10,040	10,624	-584
Lowndes	215	0	215
Macon	2,433	1,471	962
Madison	85,225	84,492	733
Marengo	6,546	3,711	2,835
Marion	5,738	4,281	1,457
Marshall	20,095	20,231	-136
Mobile	73,916	53,065	20,851
Monroe	2,054	555	1,499
Montgomery	119,087	68,708	50,379
Morgan	29,642	22,818	6,824
Perry	3,311	2,143	1,168
Pickens	3,456	2,210	1,246
Pike	5,290	4,004	1,286
Randolf	197	441	-244
Russell	3,927	2,005	1,922
St. Clair	168,895	377,805	-208,910
Shelby	914,311	1,511,947	-597,636
Sumter	5,599	2,689	2,910
Talladega	45,669	48,671	-3,002
Tallapoosa	14,309	16,870	-2,561
Tuscaloosa	180,949	161,474	19,475
Walker	95,613	95,927	-314
Washington	0	0	0
Wilcox	3,430	1,230	2,200
Winston	9,514	14,314	-4,800
TOTAL	2,363,767	3,177,544	-813,777