



## HIGHLIGHTS

1. Community Action Resource & Development, Inc. employs over 190 people in northeast Oklahoma. An additional 334 jobs are supported in the local economy from the non-profit's operations and the household demands placed upon the local economy from its employees.
2. Between 2007 and 2017, total economic activity supported through the operations and employment of Community Action Resource & Development, Inc. is estimated to be \$414 million.
3. Between 2007 and 2017, total disposable income supported is estimated to be almost \$177 million.

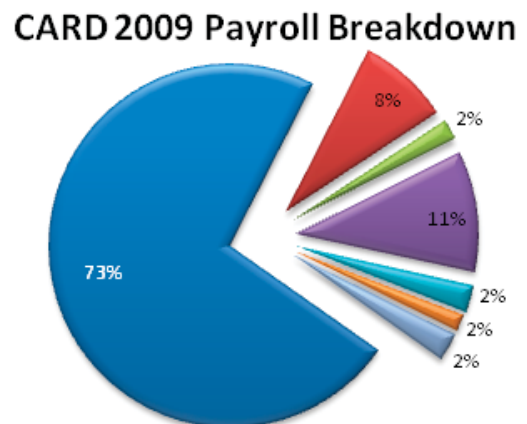
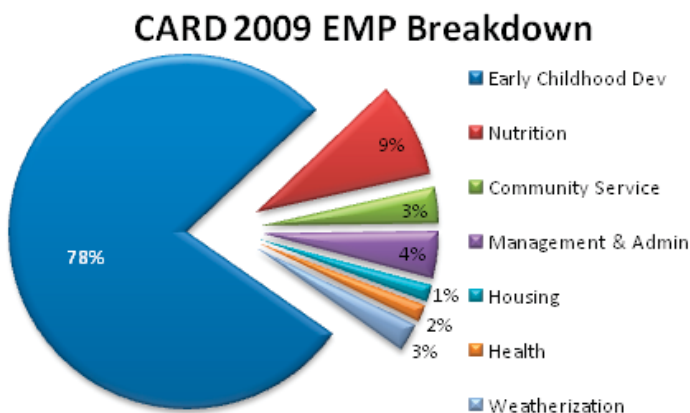
Community Action Resource & Development, Inc. (CARD) employs over 190 people in the five-county region of Mayes, Nowata, Rogers, Washington, and Wagoner counties in northeast Oklahoma. The people employed at CARD provide valuable services to the residents of the five-county region through its various poverty relief, community development, housing, and educational/childhood development activities. In addition to the services directly provided by CARD, the non-profit organization also has economic impacts that can be measured in terms of employment, output, disposable income and tax impacts generated in the regional and state economy.

It is important to note that CARD, as well as all other community action agencies, provide many valuable services to the regional economy that cannot be appropriately accounted for in an economic impact model. For example, this would include the food services programs offered to the local community. Providing nourishment to families in need is an invaluable community service. And while it is widely known that hunger decreases productivity, quantifying hunger or lack of hunger in an economic impact report is problematic. Rather, these services and other services offered by community action agencies, such as volunteer services, are better accounted for as societal impacts instead of economic impacts.

For the purposes of the economic impacts illustrated in this report, the activities performed by CARD have been grouped into one of seven categories. Those activities are: Administration, Head Start/Childcare, Nutrition, Community Services, Weatherization, Housing and Health activities. Employment and payroll associated with each of these categories served as inputs into CARD's economic impact simulation. The relative size of the employment and payroll associated with each of the seven categories are depicted in the pie charts below.

In addition to the seven categories of activities performed by CARD, other categories were included in the analysis to better reflect the impact of the community action agency on the regional economy. These supplemental variables include the labor force made available to the economy as a result of child care services provided by CARD, tax refunds resulting from tax assistance, and the impact of temporary stimulus dollars. These supplemental inputs were included to account for the variables that are better accounted for by variables other than employment or wages. One example of this type of variable is the higher participation rates in the labor force that are associated with providing child care/daycare in the regional economy.

EXHIBIT 1: EMPLOYMENT AND PAYROLL INPUTS GROUPED BY MAJOR ACTIVITY  
(COMMUNITY ACTION RESOURCE & DEVELOPMENT, INC.)



## OUTPUT IMPACTS (MAYES, NOWATA, ROGERS, WASHINGTON & WAGONER COUNTIES)

Economic activity may be measured by the value of output produced in the region, which includes the value of all intermediate goods purchased and the value-added activities performed within the region. For the purposes of this study, the economic impacts, including the output impacts, may be delineated into two geographies:

1. The regional economy. Most of the economic activity associated with CARD occurs in, or in close proximity to, the agency's five-county region in northeast Oklahoma.
2. The statewide economy. The economic impacts are not isolated to the regional economy, and due to leakages in the regional economy, some of the impacts are captured by the rest of the state.

In the regional economy, CARD's operations are estimated to support approximately \$29.2 million in economic activity in 2007. This increased to \$34.2 million in 2009, and in 2011 economic output is projected to be \$36.3 million. By 2017, regional output impacts are projected to be \$42.2 million. From 2007 to 2017, CARD's impacts upon regional economic activity are projected to be greater than \$403 million.

At the statewide level, the impacts from CARD's economic activity increases from \$30 million in 2007 to almost \$42 million in 2017. Over the entire period between 2007 and 2017, over \$414 million in economic activity is estimated to be generated as a result of CARD's operations. Since the regional impacts were projected to be \$403 million over this time frame, this

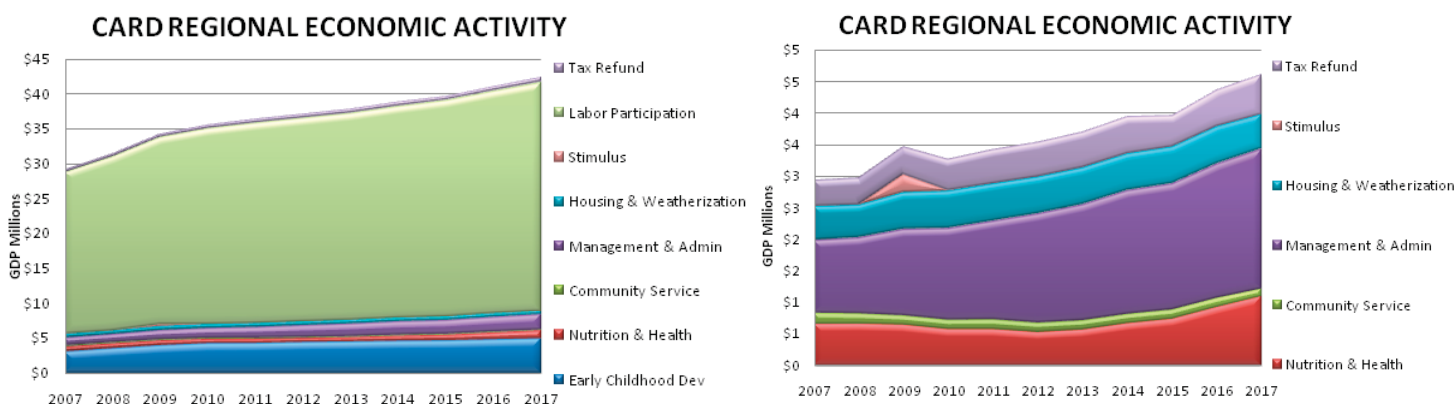
means that a net \$11 million of output impacts occur in the rest of Oklahoma.

There are two graphs presented in Exhibit 2 below. The first graph contains all of the economic impacts. However, because the labor force participation and early childhood impacts are so large relative to the other impacts from CARD's activities, the second graph removes those impacts and relates all of the other impacts.

As evidenced in the graphs, each of the CARD programs has varying levels of impacts. In the regional economy, the amount of economic activity generated over the 2007-17 time period ranges from \$1.7 million in the community service program to \$316 million from higher labor participation due to the child/daycare program.

The varying impacts discussed in the previous paragraph do not indicate that programs with lower economic impacts are less valuable to the regional and statewide economy. Nor does it reflect importance to CARD's mission of poverty relief, community development, housing, food programs and economic development. Rather, the programs provided by CARD are complementary and each program supports the nonprofit's mission. As an example, it is plausible that the organization would be less effective in its community development efforts if potential workers had fewer child care options leading to more parents staying at home rather than going into the labor force.

EXHIBIT 2: COMMUNITY ACTION RESOURCE & DEVELOPMENT, INC. OUTPUT IMPACTS (MAYES, NOWATA, ROGERS, WASHINGTON AND WAGONER COUNTIES)



## EMPLOYMENT IMPACTS (MAYES, NOWATA, ROGERS, WASHINGTON & WAGONER COUNTIES)

CARD employs over 190 people in the five-county region within which it operates. In addition to the impacts that the non-profit has within the regional economy, the individuals employed by CARD also have an impact upon the regional economy from the wages that they earn at the agency. CARD's total employment impact, which includes the more than 190 people directly employed by the non-profit, is estimated to be 524 jobs in the regional economy in 2011.

CARD's employment impacts were smaller in 2007 mostly as a result of the lower staffing levels in the earlier years. Projecting into the future, if the agency's level of activity remains relatively stable through 2017, it is forecasted that the total impact of the organization would also remain relatively stable in the regional economy with an increase from 439 jobs in 2007 to 529 jobs in 2017.

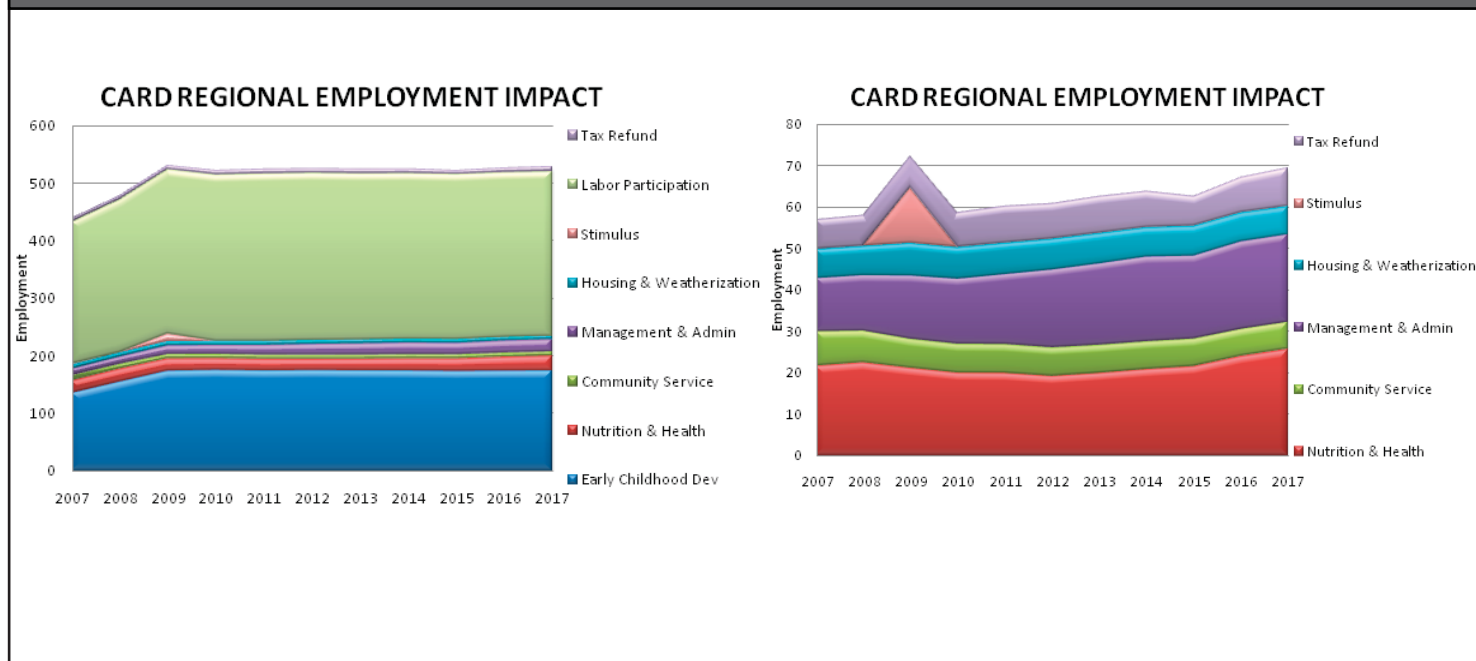
As may be seen from Exhibit 3, the labor force participation activities account for the largest employment impact. These impacts are as a result of the presence of the Head Start/Child Care activities performed by CARD in the five-county region. It is assumed that the presence of affordable childcare in the regional economy will increase the participation rate in the local labor force, which ultimately means more people are able to seek employment and be employed in the regional economy. That is, with affordable daycare options, a fraction of the families sending their children to daycare

are assumed to enter the labor force and seek employment to earn an income for their families. Geographic regions that have more childcare workers and options for childcare also have higher participation rates in the labor force.

Because the labor force participation and early childhood education impacts are large relative to the other impacts, the second exhibit in the employment series relates the economic impacts of all other activities of the community action agency. These impacts are an important contributor to the regional economy. For example, the tax assistance provided by the community action agency stimulate spending and saving in the economy from the tax refunds that otherwise may not have been available. And as may be further observed from the second graph, the stimulus impacts are measurable, although temporary. These impacts are temporary because the federal dollars used to fund the stimulus projects were also temporary.

The employment impacts attributable to CARD are not confined to the regional economy, and some impacts are expected to occur outside the regional economy. These impacts would be attributable to business linkages and income spent outside the region. The statewide impacts of CARD total 531 jobs in 2011. By 2017 the statewide employment impact is projected to be 558 jobs with 29 jobs supported outside the local economy.

EXHIBIT 3: COMMUNITY ACTION RESOURCE & DEVELOPMENT, INC. EMPLOYMENT IMPACTS (MAYES, NOWATA, ROGERS, WASHINGTON AND WAGONER COUNTIES)



## DISPOSABLE INCOME IMPACTS (MAYES, NOWATA, ROGERS, WASHINGTON & WAGONER COUNTIES)

Disposable income represents the earned income that is available for spending or saving by workers and their families after paying taxes. The impacts from the agency's operations are not confined to the counties within which it operates. Much like employment and output impacts, there are also disposable income impacts that occur outside of the the agency's primary counties. Exhibit 4 relates disposable income impacts supported by CARD in the local economy.

In 2011, CARD is projected to support \$13.6 million in disposable income in the region. Between 2007 and 2017, disposable income supported by CARD is estimated to increase from approximately \$9 million to over \$19 million. Over the entire 2007-17 time period, CARD is projected to support over \$156 million in disposable income in the regional economy.

At the statewide level, in 2011 CARD is projected to support \$14.2 million in disposable income impacts. Between 2007 and 2017, disposable income supported by CARD is estimated to increase from \$9.5 million to \$25.6 million. Over \$177 million in disposable income is supported by the agency during the time period 2007-17, with \$9 million supported outside the five-county region.

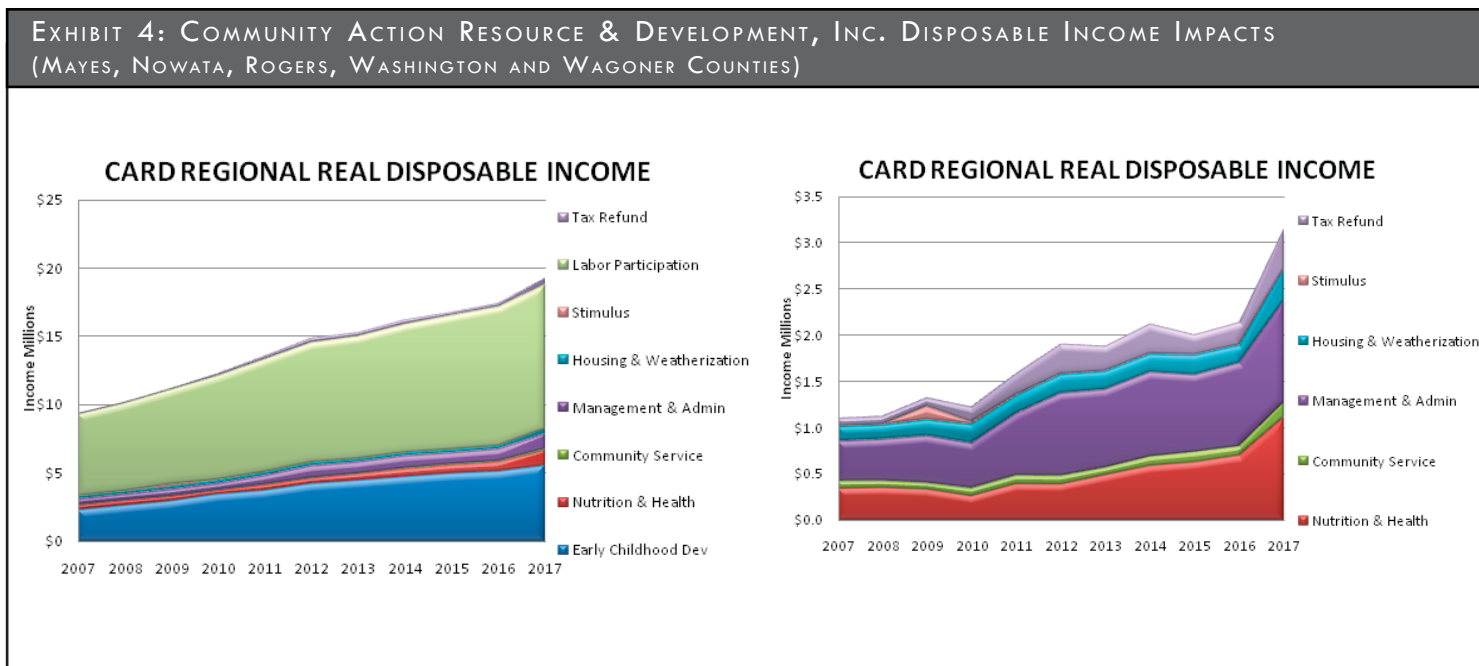
Comparative to real disposable income, total personal income represents income before taxes; this is estimated to equal \$9.5 million in 2007 and is projected to increase to \$25.6 million by 2017.

Over the entire time frame of 2007-2017, the community agency's operations are projected to support over \$204 million in personal income impacts for the regional economy. In 2011, \$17.1 million in personal income impacts is projected to be supported by CARD. At the Statewide level CARD's operations are projected to generate about \$223 million in total personal income during the time period 2007-2017, with over \$18 million in personal income supported outside the local economy.

If total personal income supported by the community action agency's operations is divided by the jobs supported by the non-profit's operations, then the per job personal income is estimated to be \$25,800/job in 2007 and \$32,600/job in 2011. Likewise, the per job disposable income is estimated to be \$21,400/ job in 2007 and \$25,900/job in 2011.

Additionally, statewide per job personal income is estimated to be \$27,000/job in 2007 and \$34,100/job in 2011, which are higher figures than the local estimate. The per job disposable income is estimated \$21,200/job in 2007 and \$26,800/job in 2011.

It must be noted that these per job income measures are not the same variable as per capita income reported by the Bureau of Economic Analysis (BEA). BEA's per capita income measure divides total personal income earned in the region by the region's total population; conversely, per job figures discussed herein divide total personal income by the number of jobs supported by CARD.



## ESTIMATED TAX IMPACTS (MAYES, NOWATA, ROGERS, WASHINGTON & WAGONER COUNTIES)

The estimated tax impacts discussed in this section relate the total state and local tax impacts supported by CARD's operation in the five-county region. Federal taxes are not included in these impacts. Exhibit 5 relates total state and local tax impacts projected to be supported by the agency between 2007 and 2017. As may be seen from the graph, sales taxes, income taxes and other taxes are displayed.

It should be noted that the sales tax impacts do not indicate sales taxes paid by the community action agency. Rather, this category relates sales taxes (state, city & county) paid by people who are employed by CARD as well as the sales taxes paid by organizations and people who support the non-profit's operations. Likewise, the income taxes depicted in Exhibit 5 do not relate income taxes paid by the agency. Rather, these include individual and corporate income taxes paid either by the people who are employed because CARD operates in the region or the organizations and businesses that provide inputs or receive demands from the non-profit's activities in the region. The 'other taxes' category includes professional and business license impacts, insurance trust fund taxes, fees and fine impacts.

Estimated sales tax impacts increased from \$280,000 in 2007 to \$328,000 in 2009. Sales tax impacts are projected to increase to \$379,000 by 2011, and by 2017, sales tax impacts are projected to increase to \$543,000. Over the entire 2007-2017 time frame, sales tax impacts resulting from CARD's operations are estimated to total \$4.5 million in the regional economy.

At the statewide level, a similar trend is expected with marginally higher impacts. Sales tax impacts are estimated to increase from

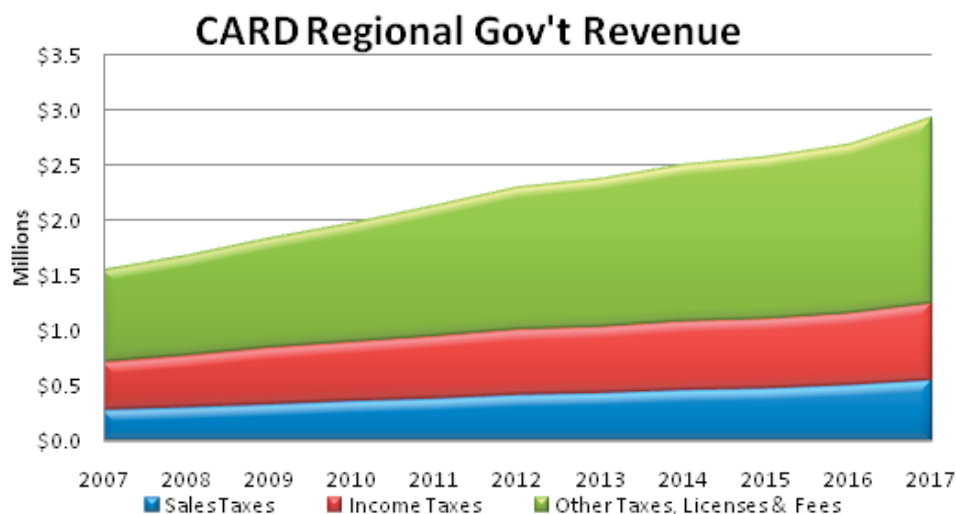
\$303,000 in 2007 to over \$353,000 in 2009 and \$407,000 in 2011. By 2017, sales tax impacts are projected to increase to \$692,000. Over the entire 2007-2017 time frame, statewide sales tax impacts resulting from CARD's operations are estimated to total \$5.1 million, which means that \$600,000 of sales taxes are generated outside the regional economy.

As for income tax impacts in the five-county region, the community action agency's operations is estimated to support approximately \$431,000 in 2007 which increases to \$512,000 in 2009. In 2011 income taxes are projected to increase to \$564,000 and by 2017, income tax impacts are projected to increase to over \$698,000. Cumulatively, during the entire 2007-2017 time frame, income tax impacts resulting from CARD's operations are estimated to total \$6.3 million in the local economy.

Statewide income tax impacts from CARD's operation are estimated to be \$465,000 in 2007 and increase to \$550,000 in 2009. In 2011 statewide income tax impacts are projected to increase to \$613,000 and \$913,000 by 2017. Over the entire 2007-17 time frame income tax impacts from CARD's operated are estimated to be \$7.3 million, which means \$1 million is generated outside local economy.

Combining all sources of tax revenue in the regional economy, total state and local taxes estimated to result from CARD's operations equal approximately \$25 million over the entire 2007-2017 time period. Statewide, the total state and local taxes generated from CARD's operation is approximately \$29 million over the entire 2007-17 time period.

EXHIBIT 5: COMMUNITY ACTION RESOURCE & DEVELOPMENT, INC. ESTIMATED TAX IMPACTS (MAYES, NOWATA, ROGERS, WASHINGTON AND WAGONER COUNTIES)



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REMI Policy Insight+ version 1.2.2,  
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