

## HIGHLIGHTS

1. The Little Dixie Community Action Agency, Inc. employs 330 people in Choctaw, McCurtain, and Pushmataha counties. An additional 230 jobs are supported in the local economy from the operations of the non-profit organization and the household demands placed upon the local economy from its employees.
2. Between 2006 and 2013, total economic activity supported through the operations and employment of Little Dixie Community Action Agency, Inc. is estimated to be greater than \$166 million.
3. Between 2006 and 2013, total disposable income supported by the non-profit's operations is estimated to be greater than \$126 million.

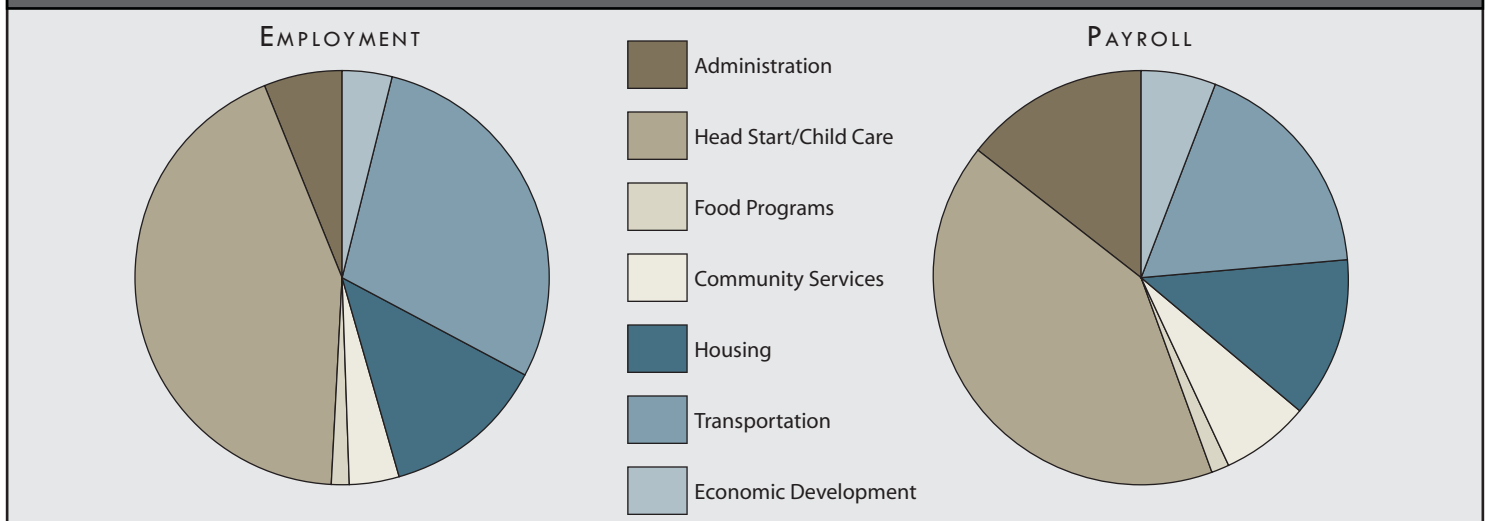
Little Dixie Community Action Agency, Inc. (LDCAA) employs 330 people in the three-county region of Choctaw, McCurtain and Pushmataha counties in Southeast Oklahoma. The people employed at LDCAA provide valuable services to the people of Southeast Oklahoma through the various poverty relief, community development, housing, economic development, and educational/childhood development activities. In addition to the services directly provided by LDCAA, 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 economy.

For the purposes of the economic impacts illustrated in this report, the activities performed by LDCAA have been grouped into one of seven categories. Those activities are: Administration, Head Start/Childcare, Food Programs, Community Services, Housing, Transportation, and Economic Development activities. While the organization has many more programs, they have been grouped into the seven previously mentioned categories for simplicity when discussing the economic impacts of the organization.

For example, the Community Services grouping includes the Senior Volunteer Program, Delinquency Prevention, and Emergency Food/Shelter programs, while the Head Start/Childcare grouping includes all of the educational and childcare activities performed by LDCAA.

Some of the inputs used in the model were employment and wages associated with each of the seven categories. The relative size of the employment and payrolls associated with each of the seven categories are depicted in the pie charts below. Additionally, depending upon the category of services provided by LDCAA, supplemental inputs were included to account for variables that cannot be measured in terms of employment. Some examples include higher participation rates in the labor force that are associated with providing child care/daycare, transfers associated with food programs, construction activity associated with housing projects, tourism dollars associated with economic development activities, and other input variables that cannot be quantified in terms of employment or dollars of output generated.

GRAPH 1: EMPLOYMENT AND PAYROLL INPUTS GROUPED BY MAJOR ACTIVITY  
(LITTLE DIXIE COMMUNITY ACTION AGENCY, INC.)



EMPLOYMENT IMPACTS (CHOCTAW, MCCURTAIN AND PUSHMATAHA COUNTIES)

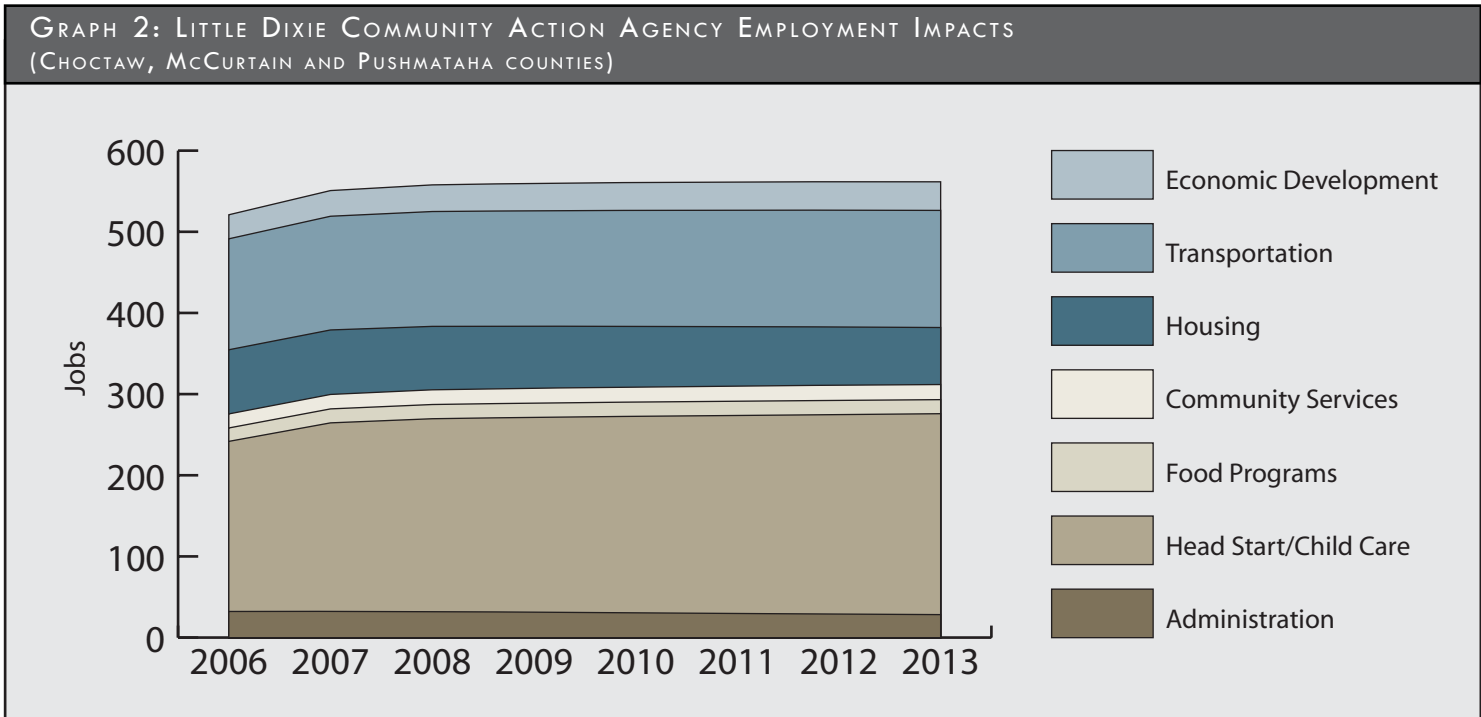
Little Dixie Community Action Agency, Inc. employs 330 people in Southeast Oklahoma. Not only do the non-profit's food programs, poverty alleviation, community development, housing, and economic development activities have an impact upon the regional economy, but the individuals employed by LDCAA also have an impact upon the regional economy from the wages that they earn at LDCAA. Little Dixie's total employment impact, which includes the 330 people directly employed by LDCAA, is estimated to be 558 jobs in the three-county region in 2008. This equates to a 1.69 employment multiplier for the Little Dixie Community Action Agency, which means that for every 1 person directly employed by LDCAA, an additional 0.69 jobs are supported in the three-county region by the non-profit's activities and the people employed at LDCAA. In a relatively small geographic region, this is a huge impact. In fact, there are several manufacturing industries that have comparable multipliers in Southeast Oklahoma, and these manufacturing industries include the Other Millwork, including Flooring manufacturing industry (1.64), the Paper and Paperboard Mills manufacturing industry (1.78), and the Glass and Glass Products manufacturing industry (1.68.)

If LDCAA's level of activity remains relatively stable through 2013, it is forecasted that the total impact of the organization would also remain relatively stable, in-

creasing only slightly from 558 jobs in 2008 to 562 jobs in 2013.

As may be seen in Graph 2, the Head Start/Childcare activities account for the largest employment impact at LDCAA, and this is partly due to the fact that the Head Start/Child Care activities performed by LDCAA account for the largest number of people employed at the non-profit. However, in addition to the people employed in childcare and education activities, the presence of childcare options in Southeast Oklahoma is expected to increase the participation rate in the local labor force, which ultimately means more people in the region are able to seek employment and be employed in the regional economy. Geographic regions that have more childcare workers and options for childcare also have higher participation rates in the labor force.

As may also be seen from Graph 2, the Transportation activities performed by LDCAA account for a large share of the non-profit's employment impacts. Again, this is partly attributable to the number of people employed in transit activities. But in addition to this, by providing these services, LDCAA allows incomes that would have otherwise been spent on transportation to instead be used on other goods and services, including healthcare services in the local economy.



## OUTPUT IMPACTS (CHOCTAW, MCCURTAIN AND PUSHMATAHA 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.

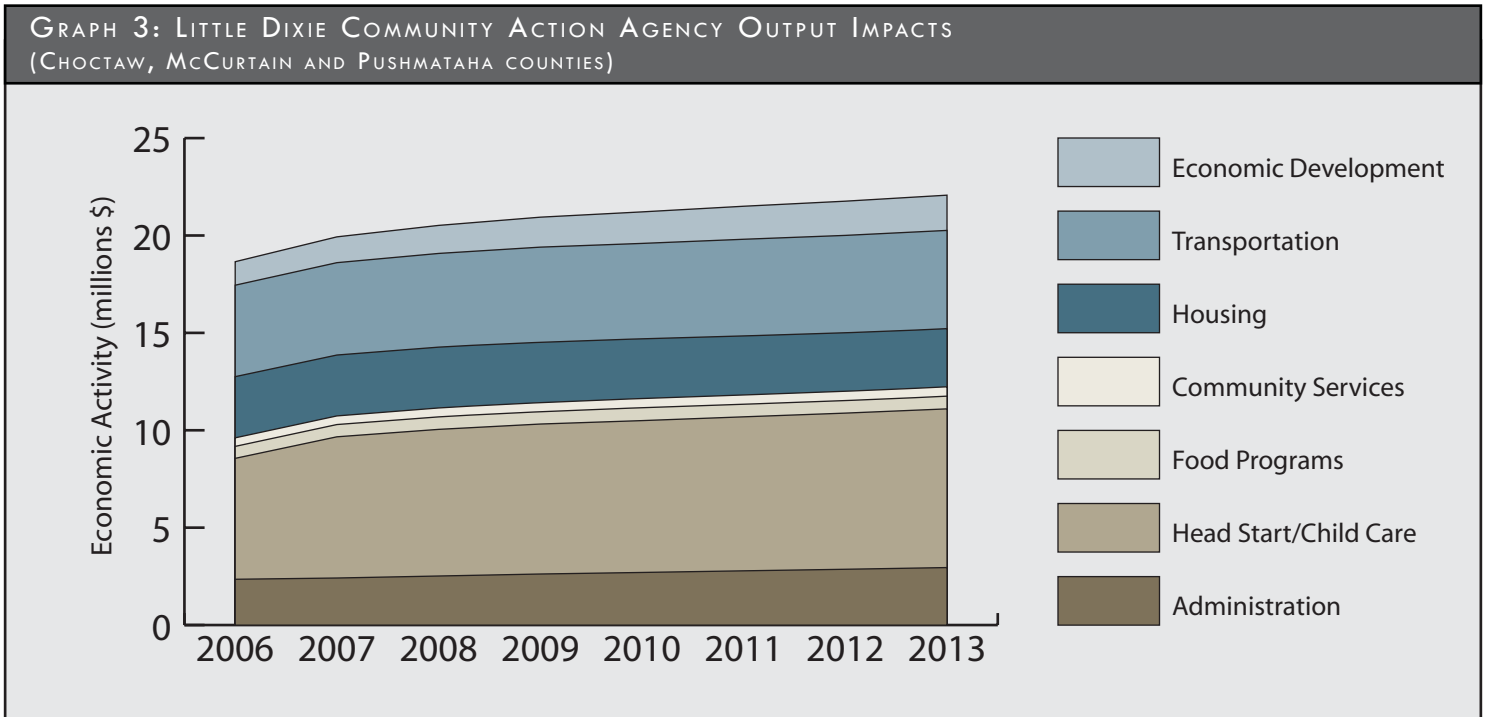
One important note that should be mentioned before progressing further is that the three-county region in Southeast Oklahoma is not an isolated island and there will be impacts that occur outside of the three-county region. For example, some of the people working in the three-county region may live outside Choctaw, McCurtain and Pushmataha counties. These individuals and their families would likely spend much of the income earned within the region in their home county where they buy groceries, clothing, etc. In fact, even workers/families that both live and work in the same three-county region would likely spend some of their income outside the region when they travel. Therefore, the impacts presented in each of the sections only relate the impacts within the three-county region of Southeast Oklahoma where LDCAA performs most of its activities.

LDCAA's operations are estimated to support approximately \$20.5 million in economic activity in Southeast Oklahoma in 2008. From 2006 through 2013, LDCAA's impacts upon regional economic activity are projected to increase from \$18.6 million in 2006 to over \$22.0 million

in 2013. This assumes that the level of activities going forward remain at present levels. Over the entire 2006 to 2013 time frame depicted in Graph 3, Little Dixie Community Action Agency is estimated to support over \$166.5 million of economic activity in Southeast Oklahoma.

Using the employment, wage and supplementary variables associated with the various programs, LDCAA's programs are projected to support varying levels of economic activity in the three-county region. These impacts range from \$3.7 million supported by Community Services Programs to \$60.5 million supported by Head Start/Childcare activities.

The varying impacts discussed in the previous paragraph do not indicate that programs with lower economic impacts are any less valuable to the regional economy and LDCAA's mission of poverty relief, community development, housing, food programs and economic development. Rather, the programs provided by LDCAA are complementary and each program supports the non-profit's mission. And, likely, the organization would be less effective in its economic development and community development efforts if potential workers had fewer childcare options.



## DISPOSABLE INCOME IMPACTS (CHOCTAW, MCCURTAIN AND PUSHMATAHA COUNTIES)

Disposable income represents the earned income that is available for spending or saving by workers and their families after paying taxes. As was previously mentioned, the impacts from LDCAA's operations are not confined to the three-county region. And just as there are employment and output impacts that occur outside the region, there are also disposable income impacts that also occur outside the three-county region in other counties located in Southeast Oklahoma and Northeast Texas.

Graph 4 relates disposable income impacts supported by LDCAA, and in 2008, the LDCAA is projected to support over \$15.1 million in disposable income in the three-county region. Between 2006 and 2013, disposable income supported by LDCAA's operations is estimated to increase from \$13.1 million to \$17.7 million. And, over the entire 2006-2013 time period, LDCAA is projected to support \$126.9 million in disposable income in Southeast Oklahoma.

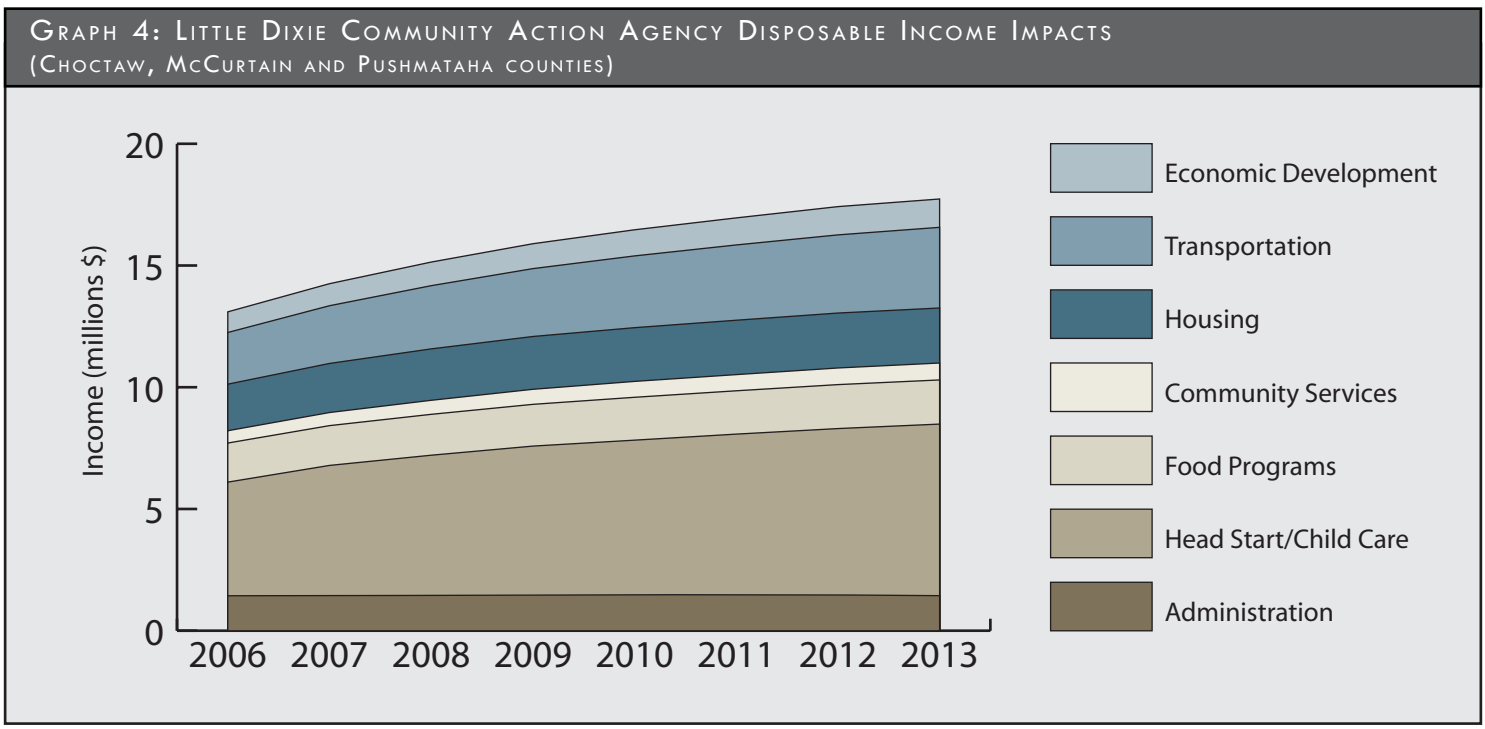
For comparison, total personal income, which represents income before taxes, is projected to equal \$17.1 million in 2006 and increase to \$23.2 million by 2013. Over the entire 2006 to 2013 time frame, LDCAA's operations are projected to support over \$166 million in personal

income impacts in Southeast Oklahoma.

Additionally of note, if total personal income supported by the LDCAA operations is divided by the jobs supported by the non-profit's operations, then the per job income is estimated to equal \$32,800 in 2006 and \$35,500 in 2008. The per job disposable income figures are estimated to equal \$25,100 and \$27,100, respectively in 2006 and 2008.

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, whereas the per job figures previously discussed divide total personal income by the number of jobs supported by LDCAA.

In the combined simulated economic impact scenarios, the estimate of the per capita income supported by LDCAA's operations equals approximately \$27,000. Comparatively in 2006, which is the most current year available, the Bureau of Economic Analysis reports that per capita income equaled \$22,992 in Choctaw county, \$23,863 in McCurtain county and \$21,701 in Pushmataha county.



## ESTIMATED TAX IMPACTS (CHOCTAW, MCCURTAIN AND PUSHMATAHA COUNTIES)

The estimated tax impacts discussed in this section relate the total state and local tax impacts supported by LDCAA's operations in Choctaw, McCurtain and Pushmataha counties. Federal taxes are not included in these impacts.

Graph 5 relates total state and local tax impacts projected to be supported by LDCAA between 2006 and 2013. As may be seen from the graph, sales taxes, income taxes and other taxes, licenses and fees are displayed.

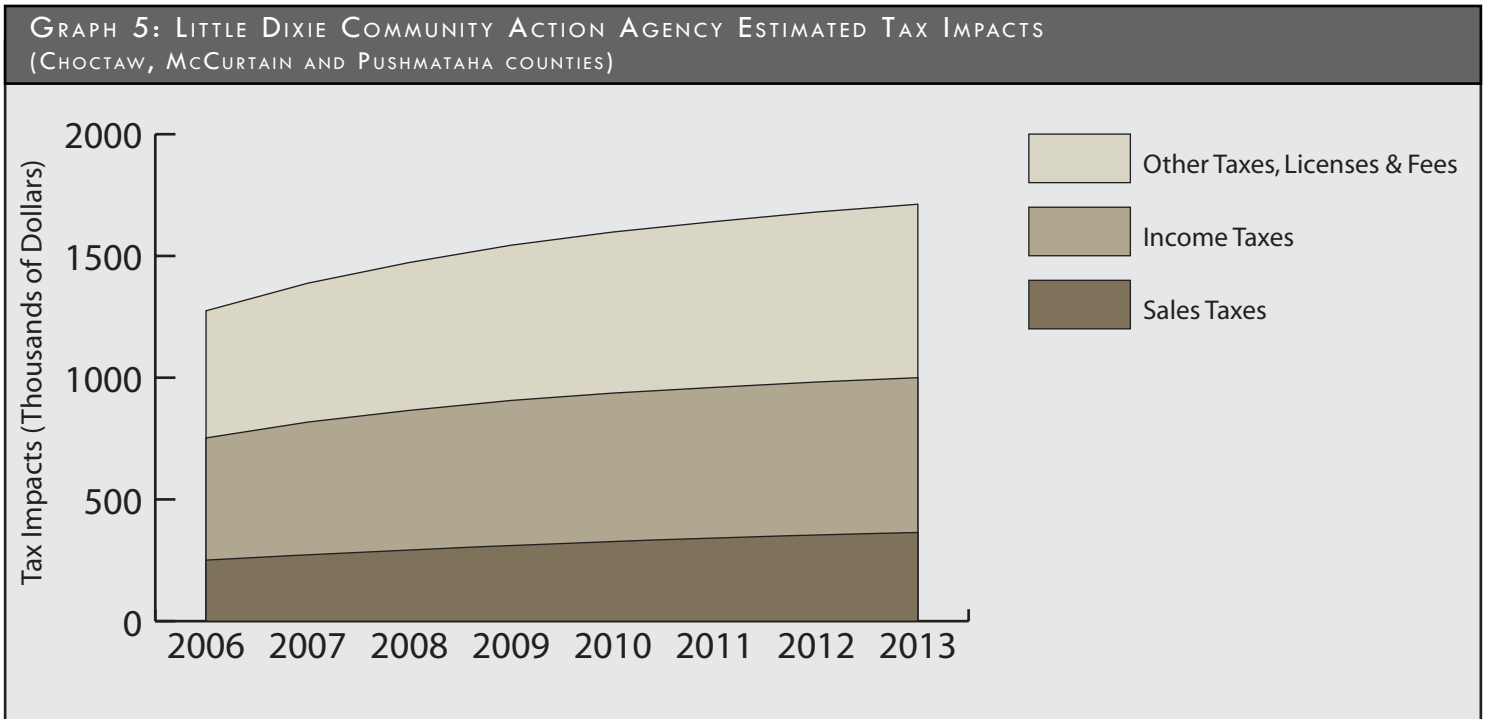
It should be noted that the sales tax impacts do not indicate sales taxes paid by LDCAA. Rather this category relates sales taxes paid by people who are employed by LDCAA as well as the sales taxes paid by organizations and people who support the non-profit's operations. Additionally the sales taxes category includes state, city and county sales tax impacts. Furthermore, it should be noted that the income taxes depicted in the graph do not relate income taxes paid by LDCAA. Rather, these include individual and corporate income taxes paid either by the people who are employed because LDCAA operates in the three-county region, or the organizations and businesses that provide inputs or receive demands from

the non-profits activities in the region. The 'other' category includes professional and business license impacts, fees and fine impacts, and intergovernmental transfers.

Estimated sales tax impacts equaled approximately \$250,000 in 2006 and are projected to increase to over \$290,000 by 2008. By 2013, sales tax impacts are projected to increase to \$360,000, and over the entire 2006-2013 time frame, sales tax impacts resulting from LDCAA's operations are estimated to total \$2.5 million in the three counties.

Estimated income tax impacts from LDCAA's operations equaled approximately \$500,000 in 2006 and are projected to increase to over \$570,000 by 2008. By 2013, income tax impacts are projected to increase to \$630,000, and over the entire 2006-2013 time frame, income tax impacts resulting from LDCAA's operations are estimated to total \$4.7 million in the three counties.

Total state and local taxes estimated to result from LDCAA's operations equal approximately \$12.3 million over the entire 2006-2013 time period.



## **Project Coordinator:**

Byron DeBruler  
DeBruler, Inc.

## **Project Funding Provided By:**

NeighborWorks<sup>®</sup> America

### **Economic Impact Analyst:**

Jon Chiappe  
Oklahoma Department of Commerce

### **Economic Impact Software:**

REMI Version 9.5, Regional Economic Modeling, Inc.  
IMPLAN Professional 2.0, Minnesota IMPLAN Group.