



HIGHLIGHTS

1. Washita Valley Community Action Council employs over 100 full-time equivalent jobs in central Oklahoma. Close to 200 additional 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 Washita Valley Community Action Council is estimated to be \$234 million.
3. Between 2007 and 2017, total disposable income supported is estimated to be over \$89 million.

Washita Valley Community Action Council (WVCAC) employs over 100 full-time equivalent jobs and primarily serves the two-county region of Caddo and Grady counties. It is important to differentiate between a full-time equivalent job and an individual worker. WVCAC currently employs more than 160 workers. However, many of these jobs are part-time workers that do not work a full-time schedule. For the purpose of relating an accurate economic impact, employment is modeled and reported as full-time equivalent jobs.

The people employed at WVCAC provide a valuable service to the residents of the two-county region through the various poverty relief, community development, housing, and educational/ childhood development activities. In addition to the services directly provided by WVCAC, 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 WVCAC, 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

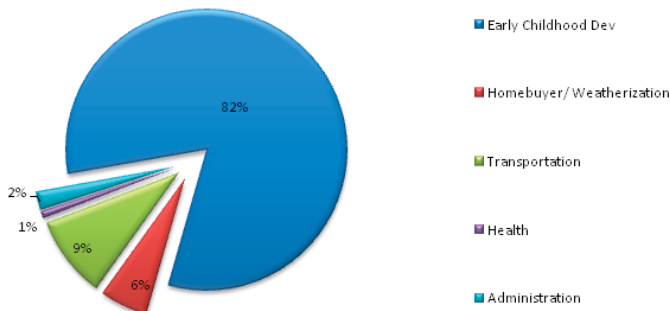
of hunger in an economic impact report is problematic. Rather, these services and other services offered by community action agencies, such as volunteer services, are better accounted for as societal impacts instead of economic impacts.

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

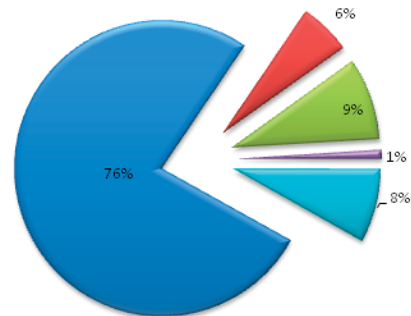
In addition to the five categories of activities performed by WVCAC, other categories were included in the analysis to reflect the impact of the community action agency on the regional economy. These supplemental variables include the labor force made available to the economy as a result of child care services provided by WVCAC, 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
(WASHITA VALLEY COMMUNITY ACTION COUNCIL)

WVCAC 2010 EMP Breakdown



WVCAC 2010 Payroll Breakdown



OUTPUT IMPACTS (CADDO AND GRADY 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 WVCAC occurs in, or in close proximity to, the agency's two-county region in central 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, WVCAC's operations are estimated to support approximately \$13.6 million in economic activity in 2007. This increases to \$17.0 million in 2009, and in 2011 economic output is projected to be \$22.1 million. By 2017, regional output impacts are projected to be \$25.7 million. From 2007 to 2017, the agency's impacts upon regional economic activity are projected to be almost \$234 million.

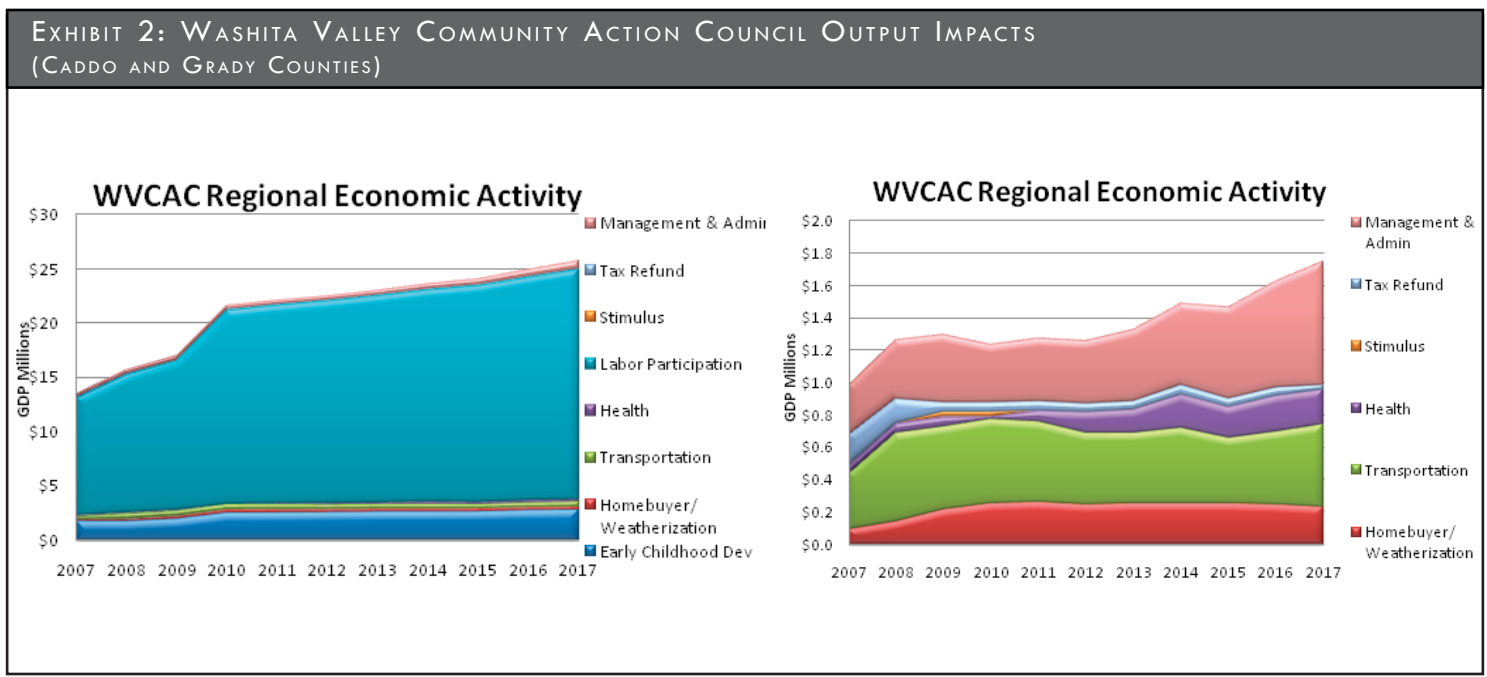
At the statewide level, the impacts from WVCAC's economic activity increases from \$14.5 million in 2007 to over \$26.3 million in 2017. Over the entire period between 2007 and 2017, almost \$240 million in economic activity is estimated to be generated as a result of the non-profit's operations. Since the regional impacts were projected to be \$234 million over

this time frame, this means that a net \$6 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 and the other impacts from WVCAC's activities may not be seen well, the second graph removes those impacts and relates all of the other impacts.

As evidenced in the graphs, each of the WVCAC programs has varying levels of impacts. In the regional economy, the amount of economic activity generated over the 2007-17 time period ranges from \$1.4 million in the health program to \$192 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 the agency's mission for providing poverty relief, community development, or housing assistance. Rather, the programs provided by the non-profit are complementary and each program supports its mission. For example, if WVCAC did not provide childcare/daycare alternatives, then it is possible that the community action agency's goals of poverty reduction would be less effective since some parents would stay at home rather than enter the labor force.



EMPLOYMENT IMPACTS (CADDO AND GRADY COUNTIES)

WVCAC employs over 100 full-time equivalent jobs in Caddo and Grady counties. In addition to the impacts that the non-profit has within the regional economy, the individuals employed by WVCAC also have an impact upon the regional economy from the wages that they earn. The agency's total employment impact, which includes the more than 100 people directly employed by the non-profit, is estimated to be 316 jobs in the regional economy in 2011.

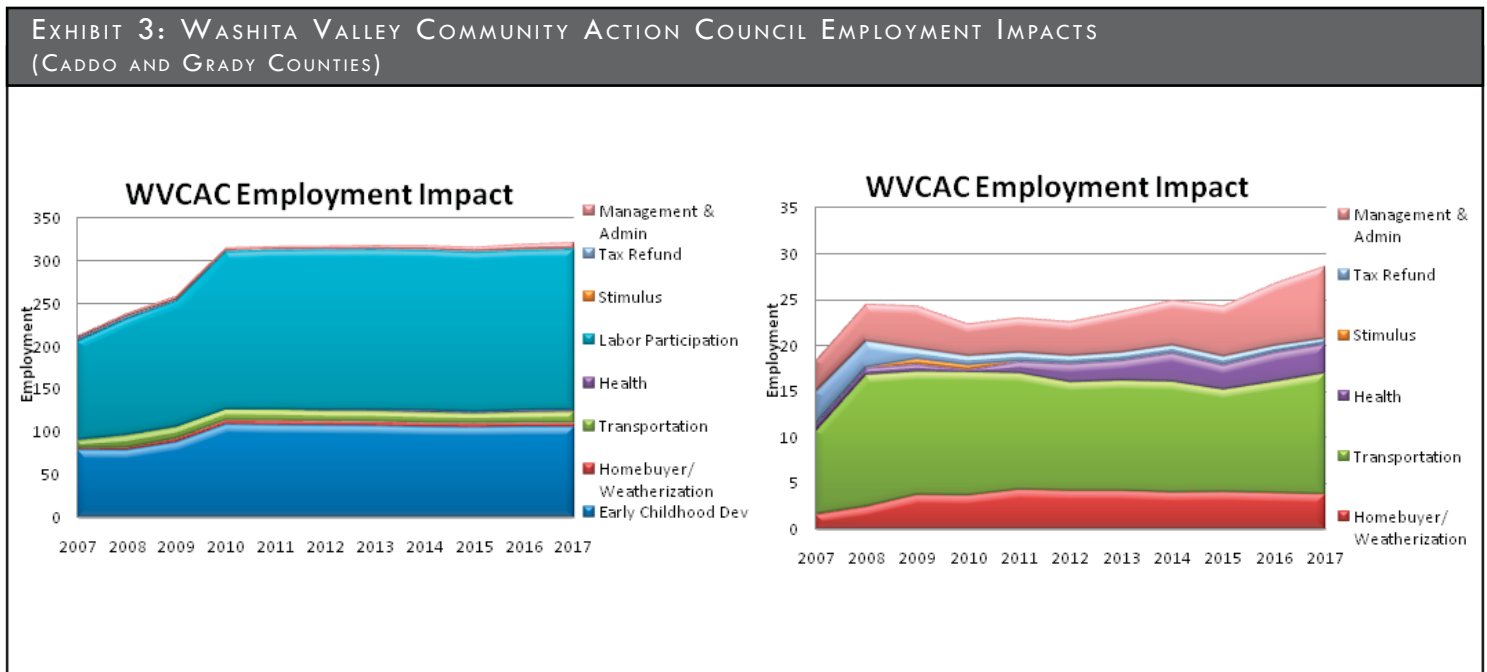
WVCAC's employment impacts totaled 212 jobs in 2007 and were smaller than present levels mostly as a result of lower staffing levels in previous years. Projecting into the future, if the agency's level of activity remains relatively stable through 2017, it is forecasted that the total impact of the organization would also remain relatively stable in the regional economy with a slight increase from 316 jobs in 2011 to 320 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 WVCAC in the two-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. This 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 impacts are so large and make it difficult to see the other impacts, the second exhibit in the employment series relates the economic impacts of all other activities of the community action agency. In this second exhibit it can be observed that the stimulus impacts are temporary and relatively small in the larger picture.

The employment impacts attributable to WVCAC 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 WVCAC equal 216 jobs in 2007. By 2017, the statewide employment impact is projected to be 330 jobs. Since the regional impact is projected to be 320 jobs in 2017, this indicates that 10 jobs would be supported outside the regional economy.



DISPOSABLE INCOME IMPACTS (CADDO AND GRADY 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 the counties in which WVCAC operates. Exhibit 4 relates disposable income impacts supported by WVCAC in the local economy.

In 2011, WVCAC is projected to support \$7.8 million in disposable income in the region. Between 2007 and 2017 disposable income supported by the non-profit is estimated to increase from approximately \$4.5 million to \$11.3 million. Over the entire 2007-17 time period, WVCAC is projected to support over \$89 million in disposable income in the regional economy.

At the statewide level, in 2011 WVCAC is projected to support \$7.4 million in disposable income impacts. Between 2007 and 2017, disposable income supported by the agency is estimated to increase from \$4.7 million to \$14.5 million. Close to \$95 million in disposable income is supported by WVCAC during the time period 2007-17, with \$6 million supported outside the two-county region.

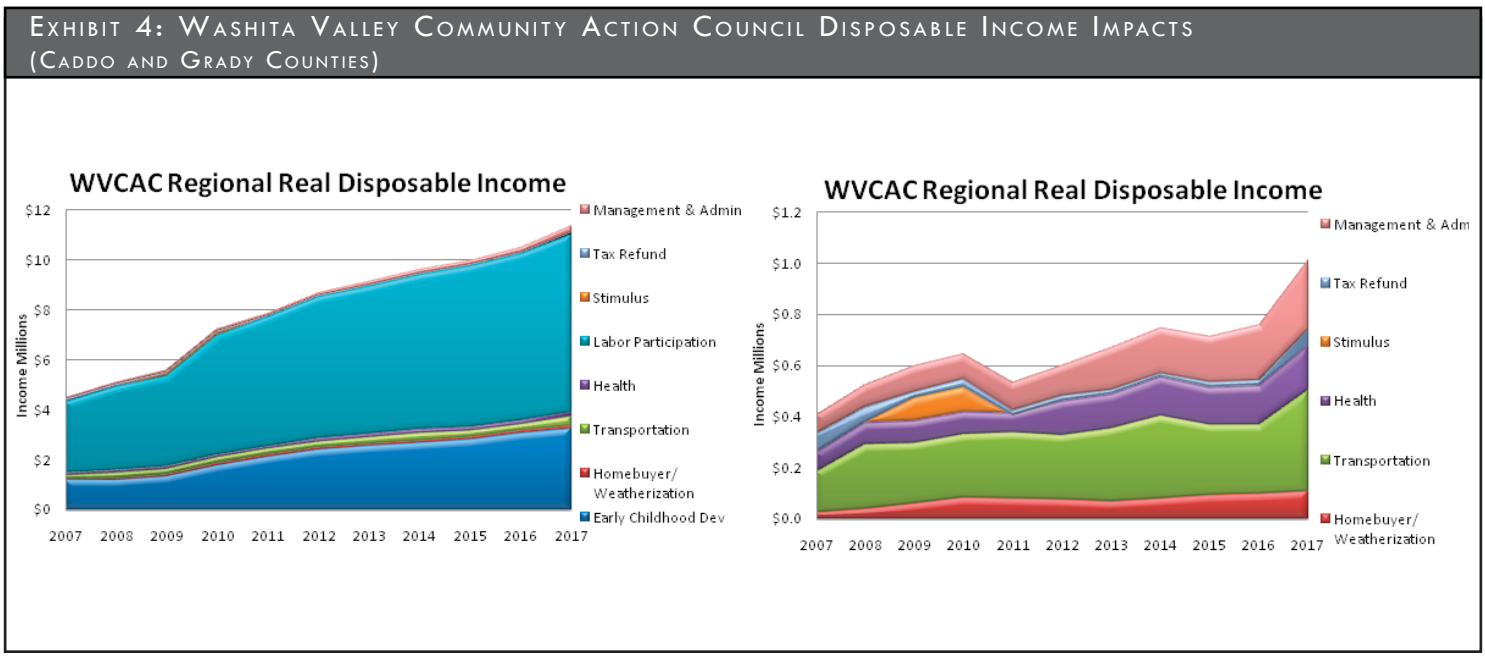
Comparative to real disposable income, total personal income represents income before taxes; this is estimated to equal \$5.3 million in 2007 and is projected to increase to \$15.7 million by 2017. Over the entire time frame of 2007-2017, the

community agency's operations are projected to support over \$116 million in personal income impacts for the regional economy. In 2011, \$9.9 million in personal income impacts is projected to be supported by WVCAC. At the statewide level the agency's operations are projected to generate about \$124 million in total personal income during the time period 2007-2017, with close to \$8 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 \$24,900/job in 2007 and \$31,400/job in 2011. Likewise, the per job disposable income is estimated to be \$21,000/job in 2007 and \$24,800/job in 2011.

Additionally, statewide per job personal income is estimated to be \$26,600/job in 2007 and \$32,700/job in 2011, which are higher figures than the local estimate. The per job disposable income is estimated to be \$21,800/job in 2007 and \$23,900/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 WVCAC.



ESTIMATED TAX IMPACTS (CADDO AND GRADY COUNTIES)

The estimated tax impacts discussed in this section relate the total state and local tax impacts supported by WVCAC's operations in the two-county region. Federal taxes are not included in these impacts. Exhibit 5 relates total state and local tax impacts projected to be supported by WVCAC 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 WVCAC. Rather, this category relates sales taxes (state, city & county) paid by people who are employed by the agency as well as the sales taxes paid by organizations and people who support the non-profit's operations. Likewise, the income taxes depicted in the exhibit below do not relate income taxes paid by the community action agency. Rather, these include individual and corporate income taxes paid either by the people who are employed because the agency operates in the region or by 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 approximately \$140,000 in 2007 to \$170,000 in 2009. Sales tax impacts are projected to increase to over \$223,000 by 2011, and by 2017, sales tax impacts are projected to increase to \$338,000. Over the entire 2007-2017 time frame, sales tax impacts resulting from WVCAC's operations are estimated to total over \$2.6 million in the regional economy.

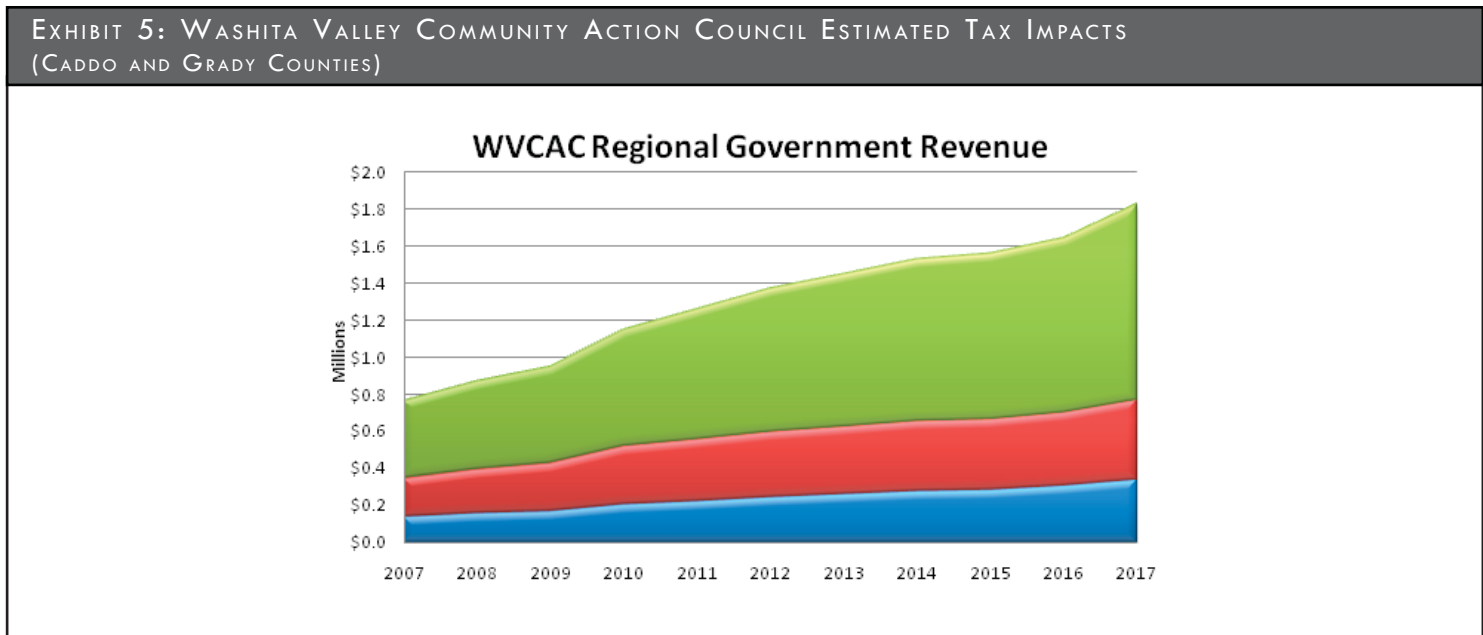
At the statewide level, a similar trend is expected with marginally higher impacts. Sales tax impacts are estimated to increase from \$174,000 in 2007 to over \$210,000 in 2009 and \$243,000 in

2011. By 2017, sales tax impacts are projected to increase to \$451,000. Over the entire 2007-2017 time frame, statewide sales tax impacts resulting from WVCAC's operations are estimated to total \$3.1 million, which means that \$0.5 million of sales taxes are generated outside the regional economy.

As for income tax impacts in the two-county region, the community action agency's operations is estimated to support approximately \$209,000 in 2007 which increases to \$261,000 in 2009. In 2011 income taxes are projected to increase to \$335,000 and by 2017, income tax impacts are projected to increase to over \$432,000. Cumulatively, during the entire 2007-2017 time frame, income tax impacts resulting from WVCAC's operations are estimated to total over \$3.7 million in the local economy.

Statewide income tax impacts from the agency's operation are estimated to be \$260,000 in 2007 and increase to \$321,000 in 2009. In 2011, statewide income tax impacts are projected to be \$371,000 and \$587,000 by 2017. Over the entire 2007-17 time frame, income tax impacts from WVCAC's operations are estimated to be \$4.4 million, which means \$0.7 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 WVCAC's operations will be over \$14 million over the entire 2007-2017 time period. Statewide, the total state and local taxes generated from the agency's operation is close to \$18 million during the entire 2007-17 time period.



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