

The Economic Impact of the Muscogee (Creek) Nation

2017



Economic Impact Group

Prepared for the Muscogee (Creek) Nation
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Introduction

The Muscogee (Creek) Nation (MCN) is a Native American tribe headquartered in the northeastern city of Okmulgee. Their tribal jurisdictional area covers all or part of 11 counties in and around the Tulsa MSA in east central Oklahoma. Forces of economic geography and agglomeration in the state led to the concentrating of people and economic activity in the dense urban areas along the I-35 corridor and Tulsa. These economic forces leave many areas in the Muscogee (Creek) jurisdiction facing a challenging economic reality. The business activity and services provided by the tribe support economic opportunities in areas where economic opportunity is increasingly scarce. This economic impact report provides insight to the value added by Muscogee (Creek) operations in the communities they serve.

The report provides a snapshot of Muscogee (Creek) business operations and government services provided in east central Oklahoma. The overview of tribal activities is combined with county economic models to estimate the economic contribution of Muscogee (Creek) operations. The total economic impact includes the direct impact of the tribe, the indirect impact from business to business linkages between the

tribe and the local economy, and the induced impacts from the household to business linkages as a portion of new household income is returned to the local economy to purchase a variety of goods and services. The indirect and induced impacts are often referred to as the spillover, or multiplier impacts from tribal operations.

To better appreciate both the direct contribution of the Muscogee (Creek) nation and its total economic impact, some economic context is helpful. To that end, a brief description of the socio-economic conditions of each impacted county is included.

The report is organized as follows. First, a brief overview of the geography of the Muscogee (Creek) Nation. Second, a detailed description of the economy for select sub geographies using five primary indicators: Population, Employment, Median Household Income, Education Attainment, and Poverty. Following the geographic and economic overviews, we will discuss the tribe's direct contribution and subsequent impact of MCN activities within the counties that fall into the MCN Jurisdictional Area, the remaining counties in the state, the state of Oklahoma, and the nation. Finally, Economic Impact Group (EIG) provides a technical discussion of our impact calculation methodology as an appendix to the report.

Geography of the Muscogee (Creek) Nation

The Muscogee (Creek) Nation is one of 38 Federally Recognized Tribes within the state of Oklahoma. The Muscogee (Creek) Nation Jurisdictional Area (JA), also referred to as the Creek Oklahoma Tribal Statistical Area (Creek OTSA) by the US Census Bureau¹, is shown on the map below

The MCN OTSA borders are drawn from traditional reservation borders as they existed when Oklahoma was Indian Territory prior to statehood.

The OTSA encompasses part or all of 11 Oklahoma counties just south of Tulsa Oklahoma, with the Nation's headquarters located in Okmulgee.

The US Census Bureau compiles data for the OTSA while many other federal agencies do not. This makes it difficult to estimate impacts specific to the OTSA border. EIG reports OTSA specific data within this section for overview purposes. However, MCN direct contribution and total impacts are reported for the counties included (wholly or partially) within the OTSA individually and in aggregate in the coming sections.

Muscogee (Creek) Nation OTSA



Source: US Census Bureau Tigerline Shapefiles, Economic Impact Group, LLC.

¹ The US Census Bureau refers to this area as the Creek OTSA. The Muscogee (Creek) Nation actually includes two adjacent regions: Creek OTSA, OK and Creek-Seminole Joint Use Area OTSA. The Joint Use area is a geographically small slice of Seminole County that borders

both the Creek and Seminole OTSAs. For simplicity, we exclude this joint use area when discussing the Creek OTSA (or the MCN OTSA) as its size and scope of economic activity don't affect the overall analysis.

Description of Muscogee (Creek) Nation Economic Activity

MCN Government

The Nation's government is headquartered in Okmulgee and provides programs and services throughout the jurisdictional area, and in some cases, outside the jurisdictional area. For consistency with other tribal economic impact reports, EIG aggregated these activities into 6 broad categories: Healthcare, History and Culture, Housing, Education, and Government Operations. These categories are described below.

Healthcare

This category includes all activity associated with the provision and delivery of health-related services. This includes traditional hospital and clinic services, vision and dental services, and programs that promote citizen health. This category includes all MCN expenditure and federal Indian Health Service (IHS) expenditure on behalf of or through the Muscogee (Creek) Nation. Note, IHS healthcare is provided for citizens of all federally recognized tribes. Thus, the total of these expenditures is for MCN and non-MCN tribal citizens.

MCN Department of Health

The Muscogee (Creek) Nation Department of Health (MCNDH) was first established in 1977, when the MCN signed a sublease agreement and an operation and maintenance agreement with the trustees of the Okfuskee County Commissioners to occupy and operate the former Okfuskee County Hospital, now Creek Nation Community Hospital (CNCH), in Okemah. This allowed MCN to serve the citizens of the tribe and the community. In 2002, MCN compacted with the United States government under the Indian Self-Determination and Education Assistance Act of 1975 (ISDEAA) to provide comprehensive health care services to eligible American Indians/Alaskan Natives (AI/AN), who primarily reside in the

Muscogee (Creek) Nation jurisdictional boundaries as well as serving the needs of other community residents.

Today, the MCN Health Department operates a system, which includes two community-based hospitals, six outpatient primary clinics, one physical rehabilitation service, and a skilled nursing inpatient facility. In the last twelve months, MCN primary care clinics have had more than 23,000 unduplicated patients. The system has an active user population of over 44,000 patients and had over 120,000 patient encounters in 2017. The Nation expects to see continuous growth in the patient population as a new primary clinic will open in July 2018.

MCN provides services that include primary care, urgent care, dental, optometry, behavioral health services and ancillary services such as laboratory, radiology, pharmacy. The MCNDH also offers specialty services such as pediatrics, wound care, physical therapy, diabetes management, and tobacco cessation. As a comprehensive health facility providing services to all generations, MCN has complementary services to assist in taking care of the whole person; contract health services (with approval) provides tertiary care for patients who require care not available in our facilities and community health representatives provide outreach and health promotion/disease prevention services to the community.

History and Culture

This category includes expenditures on events, materials, or organizations engaged in publicizing tribal history or culture.

Housing

This category includes all tribal expenditure for citizen housing. This may include direct expenditure on housing, financing, or other housing assistance programs.

Education

Education includes all expenditure on tribal education programs, individual scholarships, or other education-related expenditures.

Government Operations

Any expenditure on the daily operation of the tribal government is included here. This includes executive, legislative, and judicial expenditures as well as other expenditures that may fund daily government operations not specifically included in other categories.

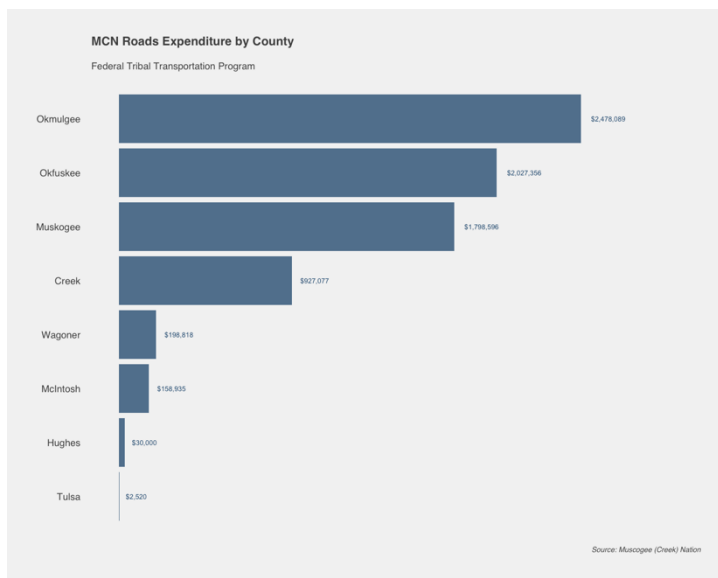
MCN Businesses

The business grouping includes all activity related to the delivery of non-government goods and services. For consistency with other tribal economic impact reports, we aggregated these activities into 6 broad categories: Finance, Real Estate, Professional Services, Manufacturing, Retail, and Gaming and Other. The majority of MCN business activity was concentrated within the Professional Services, Retail, and Gaming and Other classifications.

MCN Roads Projects

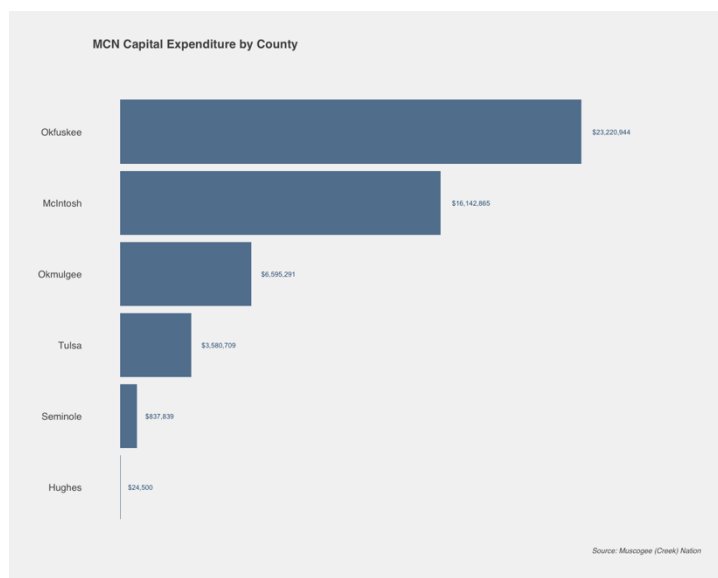
Federally recognized tribes participate in the Tribal Transportation Program (TPP). The TPP is a Bureau of Indian Affairs (BIA) program that provides federal funding for roads, bridges, and other transportation projects within tribal areas. This can include maintenance of existing infrastructure or construction of new infrastructure. This is an important source of infrastructure funding that brings new dollars into the state that complement existing Oklahoma Department of Transportation (ODOT) budgets. The resulting projects create or maintain infrastructure that is used by all Oklahomans without detracting from state budget dollars.

The Nation spent \$7,621,391 of TTP funds throughout the jurisdictional area in 2017. A summary of expenditure by county is provided in the graphic below. The most significant expenditures occurred in Okmulgee, Okfuskee, and Muskogee counties, providing a significant infrastructure boost to areas struggling economically.



MCN Capital Expenditures Other

The Muscogee (Creek) Nation spent \$50,500,701 on capital projects. Capital projects include facilities construction, upgrades, or other improvements that require a large one-time expenditure.



MCN State and Local Support

The Muscogee (Creek) Nation provided over \$12 million to state and local governments in 2017. This included payments to local school districts in Creek, Muskogee, Okfuskee, and Okmulgee counties that totaled just under \$34 thousand. When combined with the education funding portion of gaming exclusivity fees paid, EIG estimates that MCN provided just over \$8.1

million in education funding within the State of Oklahoma.

Annual MCN exclusivity fees paid to the state are reported in the graphic below. All tribes experienced similar increases in giving during the early years of the compacts. The \$8.96 million provided in 2017 represented 6.7% of all tribal exclusivity fees paid to the state in 2017.

Community	Amount
School Districts	\$33,665
County Governments	\$199,450
Municipal Governments	\$29,800
State Government	\$11,770,273 ⁴
Total	\$12,033,188

Source: Muscogee (Creek) Nation, Oklahoma State Gaming Compliance Unit Annual Report 2017, Economic Impact Group, LLC.

⁴ Includes state gaming compact fees and horse racing fees. The Oklahoma Office of Management and Enterprise Services (OMES) officially reported \$8,961,013 in state gaming compact fees by the Muscogee (Creek) Nation in FY 2017. Based upon the education

funding formula for state compact fees, we estimate that \$8.1 million was provided to the legislature for the HB 1017 education fund in 2017.

Economic Conditions in the Muscogee (Creek) Nation

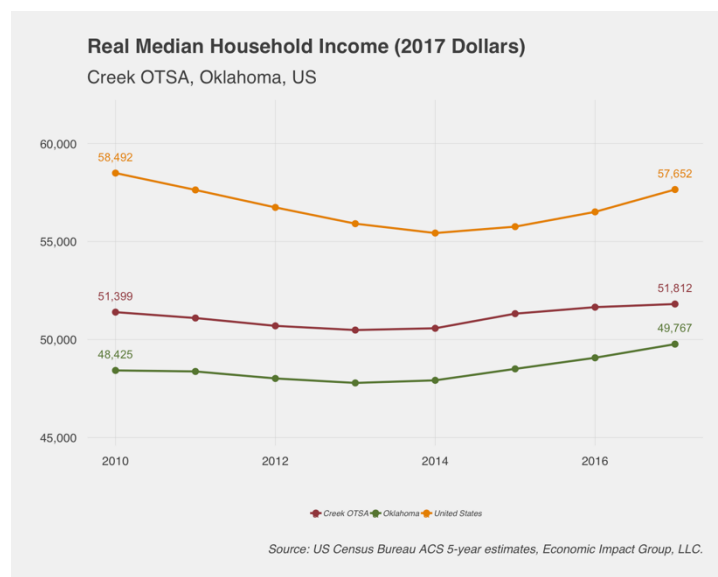
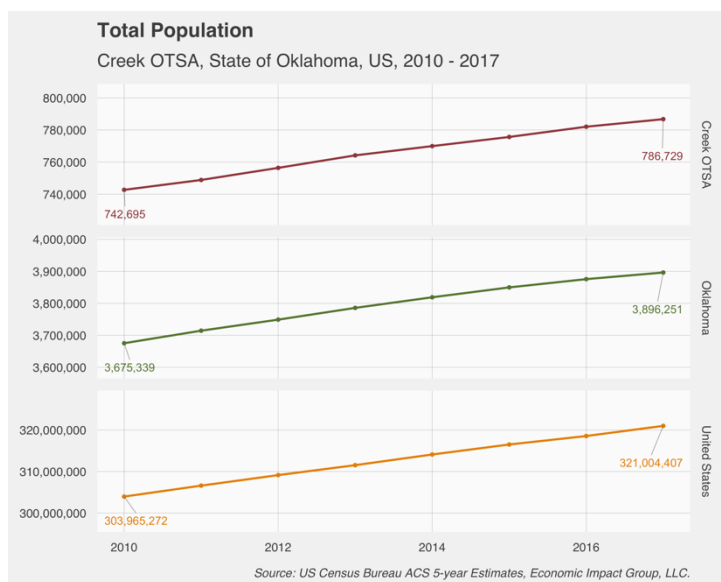
EIG uses five primary datasets to highlight economic conditions throughout this report. They are: Population, Employment, Median Household Income, Education Attainment, and Poverty Rate. First, we highlight conditions within the MCN boundaries (OTSA), then we report conditions within the individual jurisdictional area counties.

Creek OK, OTSA

The five economic indicators are discussed below in the context of the Creek OK, Oklahoma Tribal Statistical Area (OTSA) as defined by the US Census Bureau. This data excludes any portion of counties that exist outside the official Creek OK, OTSA.

Population

According to the US Census Bureau, 786,729 people lived within the OTSA border in 2017, a



5.93% increase from 2010, slightly less than the state of Oklahoma (6.01%) and slightly more than the U.S. (5.61%). The graphic below shows population growth for the OTSA, the state, and the nation.

Median Income

The census bureau estimates that the median household income for households within the OTSA was \$51,812, up 0.8% from 2010. While still significantly less than the national average, regional income gained on the nation due to a decline in US real income due to the Great Recession coupled with a slight increase in real income within the region. OTSA Median income was 89.9% of the national average and 104% of the Oklahoma average in 2017.

Employment

BLS employment data is not available at the OTSA level. Individual county employment will be addressed in the counties section.

Education Attainment

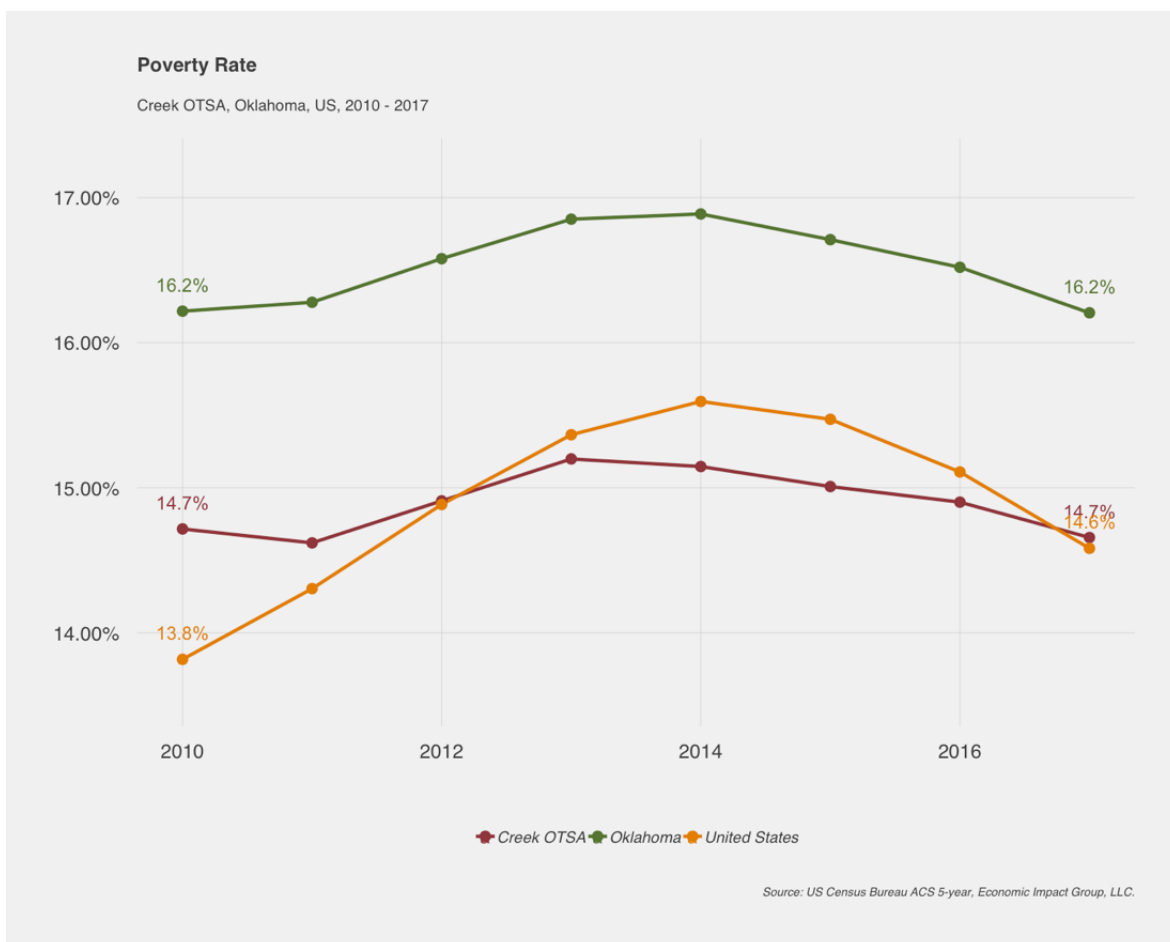
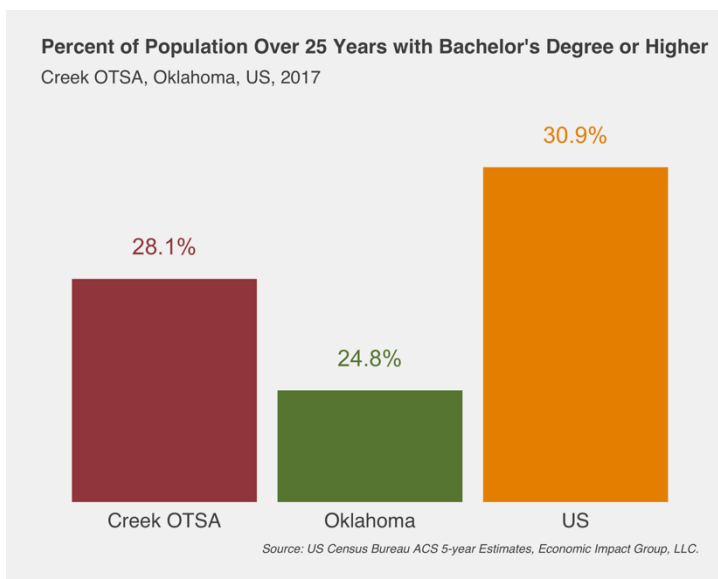
The percentage of population with a bachelor's degree or higher was 28.1% within the OTSA in 2017. This is a higher rate than the state (%) but still lags the national rate of 30.9%.

Poverty

Poverty within the OTSA tracked closely with the nation from 2010 to 2017. The OTSA rate of 14.7% was nearly indistinguishable from the US rate of 14.6% in 2017. However, this was lower than the state average rate of 16.2% in 2017, maintaining its 1.5 percentage point spread with the state from 2010.

Poverty isn't spread uniformly throughout the OTSA as will be seen later in the report when individual counties are discussed. The distribution of poverty tends to follow the urban/rural divide,

with the more rural counties having significantly higher rates of poverty than their urban/suburban counterparts. See the county sections for a more detailed discussion



Jurisdictional Area Counties

This section describes the five economic indicators for the 11 counties that fall wholly or partially within the Muscogee (Creek) Nation Jurisdictional Area. Unlike the OTSA section above, these data describe conditions within the entirety of each county, even those only partially included in the official Jurisdictional Area. This is due to the lack of quality government data at the subcounty level.

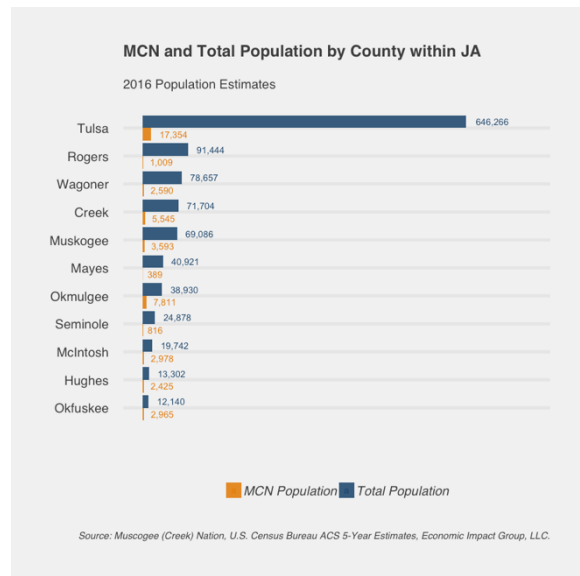
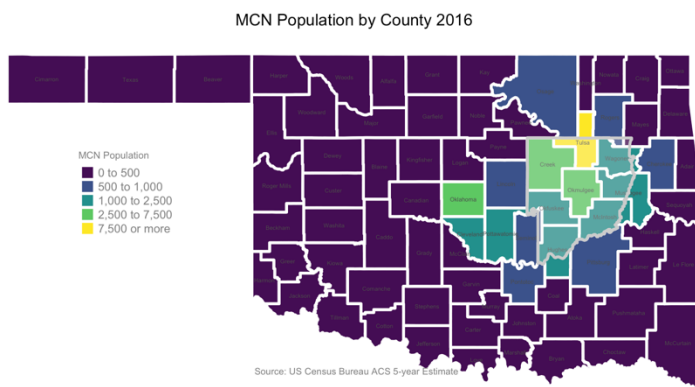
Economic activity is distributed unequally throughout the counties in the MCN JA. EIG highlights this distribution using five primary indicators: Population, Employment, Median Household Income, Education Attainment, and Poverty Rate.

Eleven Counties Within the MCN Jurisdictional Area

- Wholly Encompassed in JA: Creek, Okfuskee, Okmulgee
- Partially Encompassed in JA: Hughes, Mayes, McIntosh, Muskogee, Rogers, Seminole, Tulsa, Wagoner

Population

Just under 55.7% of enrolled citizens live within the counties in the MCN tribal jurisdictional area. The tribal jurisdictional area includes part of Tulsa County as well as ten other counties in east central Oklahoma identified in the map below.



Note that the majority of MCN citizens live in Tulsa County. This is consistent with the broader Native American population choosing to live in the two most urban counties of Oklahoma (Oklahoma City) and Tulsa. This also follows the urbanization trend of all US citizens who tend to locate in more densely populated areas.

According to official tribal rolls, 85,171 citizens live in the U.S. with NA of those living in the state of Oklahoma. Just under NA of enrolled citizens live within the counties in the MCN tribal jurisdictional area. The tribal jurisdictional area includes part of Tulsa County as well as ten other counties in east central Oklahoma identified in the map below.

The graphic above presents the population of Muscogee (Creek) citizens relative to the total county population. The counties are ranked from most to least populous. Rogers County is the largest of the non-urban jurisdictional counties with a population of 91,444 while Okfuskee County is the least populous with a population of only 12,140. In absolute terms, Muskogee (Creek) population is greatest in Okmulgee – the tribal headquarter county. The share of Muskogee (Creek) citizens is greatest in Okfuskee County with tribal citizens accounting for 24% of total county population. The Muskogee (Creek) share of county population exceeds 15% of the county total in four counties: Okfuskee (24%), Okmulgee (20%), Hughes (18%), and McIntosh (15%).

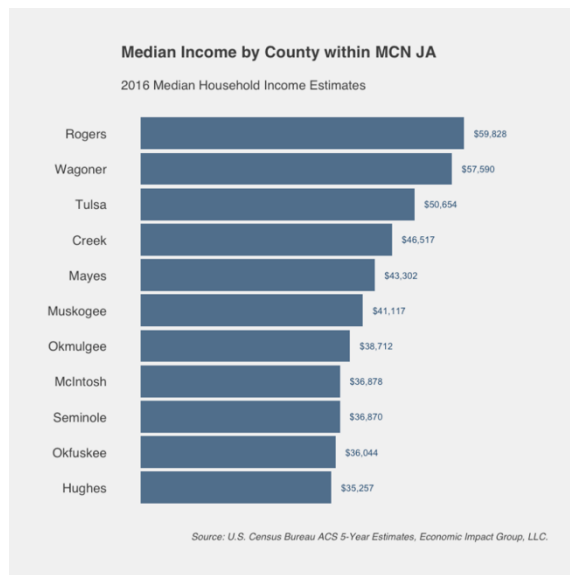
Median Income

Median Household Income varies throughout the MCN counties with the Tulsa MSA counties of Rogers, Wagoner, Tulsa, and Creek having the highest median income and the remaining rural counties having lower median income. At \$59,828, the median income in Rogers County is nearly double that of Hughes County.

Employment

Population and employment growth are increasingly concentrated in the state's urban cores. This reality is reflected in the seven-year employment change patterns reported in the graphic below. With Tulsa County serving as the core of the Tulsa MSA, it represents just under 75% of all employment in the MCN counties. Of the remaining counties, Muskogee County has the largest employment base with an estimated 29,463 employees in 2017. However, this represents only a 461-employment increase over 2010 or a compound annual growth rate of 0.23%. The second largest employment county is Rogers with a 2017 employment estimate of 26,373 representing a seven-year compound average growth rate of 1.34%.

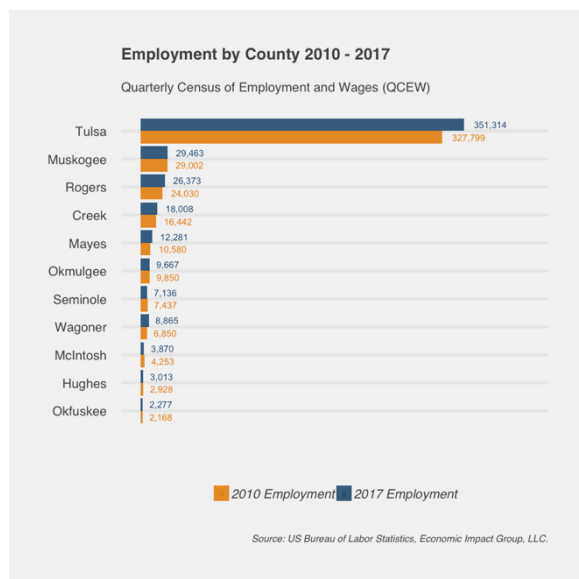
The greatest job growth was realized in Wagoner County as it added 2,015 jobs over the period for



a compound average growth rate of 3.75%. Three counties experienced a shrinking employment base over the period – McIntosh, Seminole, and Okmulgee counties.

In the aggregate, the counties in the MCN JA added 7,413 jobs over the period representing a compound average annual growth rate of 0.91%. The slow economic growth in the region underscores the importance of tribal operations and the provision of government services in supporting economic activity in the region while pushing back against the natural forces of economic geography that are creating a challenging environment in which to sustain economic growth.

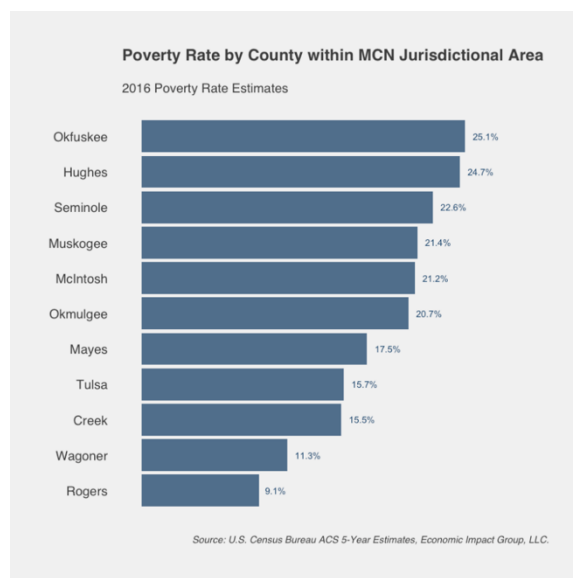
The urban/rural divide can also be seen in the differences between Median Household Income in the counties more closely linked with Tulsa vs. the remaining counties. Communities closely linked with the Tulsa urban core (Broken Arrow, Claremore, Owasso) exhibit higher household incomes than those farther removed. For example, households in Rogers County, which contains Claremore and part of Owasso, have median incomes that are 1.7x those in the farthest south county of Hughes. The graphic below appears to be inversely related to the graphic in the next section on poverty - high income counties are low poverty counties.



Poverty

The importance of tribal operations in providing economic opportunities to underserved areas is further emphasized in graphic below that reports the annual poverty rate for individuals in 2016. Six counties experienced poverty rates greater than 20%. They are Seminole, Muskogee, Hughes, McIntosh, Okfuskee, and Okmulgee. Again, the counties with lower poverty rates tend to be more urban and/or directly connected to the Tulsa MSA.

Half of the six counties with poverty rates in excess of 20% rely on the Muskogee (Creek) Nation as a base of local employment. These counties include McIntosh, Okfuskee, and Okmulgee. In each of these counties, direct Muskogee (Creek) employment accounts for between 5% and 25% of total county employment. The 2,215 MCN jobs in Okmulgee County account for 22.1% of all employment in that county, which had a poverty rate of 20.7% in 2016. The story is similar in Okfuskee County with MCN accounting for 13.3% of employment in a county where 1/4th of all citizens live below the poverty line, and finally in McIntosh County where



MCN represents 7% of employment where the poverty rate is 21.2%.

Again, in contextualizing the economic impact of the Muskogee (Creek) Nation it is worth repeatedly emphasizing the role the tribe plays in bringing economic opportunity to areas that would otherwise be even more economically distressed.

Economic Impacts Summary

The table below summarizes the economic impact of the Muscogee (Creek) Nation throughout their jurisdictional area, the state, and the nation. More detailed tables for each region are provided in the next section.

Within the MCN jurisdictional area, the output impact is \$801 million, supporting 8,175 jobs paying \$280 million in wages and benefits to local workers. While the majority of this impact occurs in Tulsa County, their impacts are significant in many of the counties within their jurisdictional area. In particular, their employment and wages are significant within the three counties highlighted in previous sections as having high poverty and low median household income (McIntosh, Okfuskee, Okmulgee). In McIntosh County, their employment impact (615)

represents 15.9% of total jobs within the county⁵. Even more significant is their employment impact in Okfuskee (651) and Okmulgee (2,726), where the jobs directly and indirectly related to MCN activities represent 28.6% and 28.2% of county employment respectively.

The vast majority of MCN impacts occurred within the MCN jurisdictional area. This is not surprising as their activities are significantly concentrated there. Even still, MCN activity created an additional \$66 million in impact in the rest of the state, providing another 474 jobs paying \$23 million in wages and benefits to workers residing outside the MCN jurisdictional area.

In total, the MCN economic impact was \$1.4 billion in the United States in 2017, supporting 10,072 jobs paying \$443 million in wages and benefits to American workers.

Region	Employment	Payroll	Value Added	Output
Creek County	265	\$18,786,725	\$25,355,471	\$23,747,589
Hughes County	91	\$5,039,755	\$6,489,665	\$6,404,510
Mayes County	4	\$214,841	\$376,380	\$1,107,202
McIntosh County	615	\$22,635,249	\$35,821,182	\$61,757,177
Muskogee County	509	\$20,622,766	\$39,201,062	\$68,033,958
Okfuskee County	651	\$21,925,481	\$27,373,023	\$44,185,503
Okmulgee County	2,726	\$39,259,922	\$61,540,287	\$87,016,859
Rogers County	52	\$1,687,877	\$2,822,753	\$8,219,043
Seminole County	18	\$1,659,479	\$2,040,584	\$2,619,574
Tulsa County	3,104	\$136,527,482	\$296,322,269	\$491,146,538
Wagoner County	139	\$11,423,598	\$5,043,157	\$6,360,675
Jurisdictional Area Total	8,175	\$279,783,175	\$502,385,831	\$800,598,628
Counties Outside Jurisdictional Area	474	\$23,301,607	\$34,113,949	\$65,558,483
Statewide	8,649	\$303,084,782	\$536,499,780	\$866,157,110
Entire U.S.	10,072	\$443,451,966	\$801,947,637	\$1,394,927,480

⁵ County employment (QCEW) data from Bureau of Labor Statistics is provided by survey and doesn't necessarily

represent exact employment. Comparisons made for illustrative purposes only.

Economic Impacts by Region

Oklahoma Statewide

Here, EIG details the estimated, quantifiable economic impacts of the Muscogee (Creek) Nation in the State of Oklahoma. MCN/s direct contribution includes the sum of their government, capital, and roads expenditures within the state and the revenues earned by their businesses. Also included are the employment and payroll directly tied to these contributions.

The total economic impacts include the MCN direct contribution plus all downstream and interregional inflows of economic activity that derive from their direct contribution.

MCN Direct Contribution

The Muscogee (Creek) Nation provided a significant, direct contribution to the state's economy in 2017. They provided over 5,400 jobs paying just under \$170 million in wages to local workers. When combined, their businesses, government and related contribution totaled more than \$524 million throughout the state.

Total Statewide Economic Impacts

The MCN direct contribution described above, when combined with the statewide spillover economic Impacts, accounted for \$866 million in total economic impact in 2016 (output in table below). MCN activity accounted for 8,649 jobs paying \$303 million in wages and benefits to Oklahoma workers.

MCN Direct Contribution – Statewide

Category	Employment	Payroll	Output
Government	2,933	\$67,215,313	\$103,100,666
Business	2,487	\$101,611,835	\$363,067,159
Capital Expenditure			\$50,500,699
Roads Expenditure			\$7,422,573
Total	5,420	\$168,827,148	\$524,091,098

Source: Muscogee (Creek) Nation

MCN Economic Impact – Statewide

Impact Type	Employment	Payroll	Value Added	Output
Direct Effect	5,420	\$168,827,148		\$524,091,098
Multiplier Effect	3,229	\$134,257,635	\$536,499,780	\$342,066,013
Total Effect	8,649	\$303,084,782	\$536,499,780	\$866,157,110

Source: Economic Impact Group, LLC.

MCN Jurisdictional Area

The counties within the jurisdictional area have a very diverse set of economic outcomes largely due to their degree of “urbanness” or “ruralness”. Creek, Okmulgee, Rogers, Tulsa, and Wagoner counties all fall within the Tulsa Metropolitan Statistical Area (MSA). As such, these 5 counties account for 83.7% of the population and 87.7% of total employment within the counties that make up the MCN jurisdictional area. Likewise, their average by-county median household income is 32.5% greater than the other counties, the share of their population with bachelor’s degrees and higher is 7.1 percentage points greater than the other counties, and their poverty rate is 7.6 percentage points less than the other counties. These differences indicate the degree to which MCN activities influence local economic outcomes.

We report the direct contribution and total economic impact of MCN throughout the multi-county region below. Impacts for the individual

counties that make up this economically diverse region are presented in the pages that follow.

MCN Direct Contribution

The table below reports the direct employment, payroll, and output contribution of The Muscogee (Creek) Nation in the multi-county region included in their jurisdictional area. In total, MCN provided jobs for 5,420 workers paying wages and benefits of \$161 million to households in the region. The MCN direct economic contribution (referred to here as output) was \$500 million.

Economic Impact

The combined MCN government activity, business activity, and capital expenditures had a total economic impact of \$801 million in the multi-county region when accounting for spillover effects (multiplier) from other local businesses, governments, and households. MCN activities supported the employment of 8,175 workers earning households \$280 million in income and benefits.

MCN Direct Contribution – Multi-County Jurisdictional Area

Category	Employment	Payroll	Output
Government	2,933	63,297,940	79,411,722
Business	2,487	97,529,534	362,801,554
Capital Expenditure			50,402,148
Roads Expenditure			7,422,573
Total	5,420	160,827,474	500,037,997

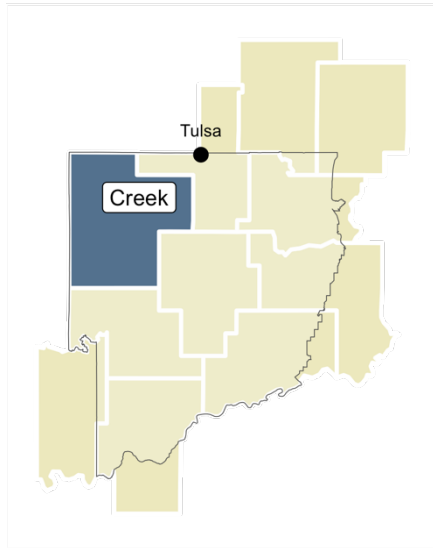
Source: Muscogee (Creek) Nation

MCN Economic Impact – Multi-County Jurisdictional Area

Impact Type	Employment	Payroll	Value Added	Output
Direct Effect	5,420	\$160,827,474		\$500,037,997
Multiplier Effect	2,755	\$118,955,701	\$502,385,831	\$300,560,631
Total Effect	8,175	\$279,783,175	\$502,385,831	\$800,598,628

Source: Economic Impact Group, LLC.

Creek County



Region Profile

Total Population: 71,704 (MCN: 8%)

Total Employment: 18,008 (MCN Direct Employment: 0.9%,
Employment from MCN Impact: 1.5%)

Median Household Income: \$46,517

Educational Attainment: 15.6%

Poverty Rate: 15.5%

MCN Direct Contribution

Category	Employment	Payroll	Output
Government	95	\$ 5,281,283	\$ 2,007,237
Business	69	\$ 10,555,106	\$ 10,123,152
Capital Expenditure			
Roads Expenditure			\$ 927,077
Total	164	\$ 15,747,765	\$ 13,057,466

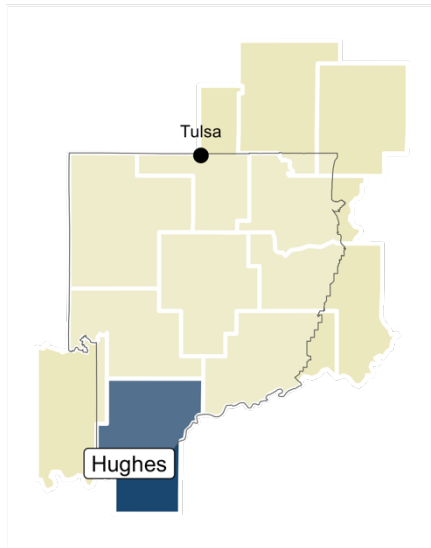
Source: Muscogee (Creek) Nation

Economic Impact

Impact Type	Employment	Payroll	Value Added	Output
Direct Effect	164	\$ 15,747,765	\$ 25,355,471	\$ 13,057,466
Multiplier Effect	101	\$ 3,038,960	\$ 25,355,471	\$ 10,690,123
Total Effect	265	\$ 18,786,725	\$ 25,355,471	\$ 23,747,589

Source: Economic Impact Group, LLC.

Hughes County



Region Profile

Total Population: 13,302 (MCN: 18%)

Total Employment: 3,013 (MCN Direct Employment: 2.3%,
Employment from MCN Impact: 3%)

Median Household Income: \$35,257

Educational Attainment: 12.4%

Poverty Rate: 24.7%

MCN Direct Contribution

Category	Employment	Payroll	Output
Government	30	\$2,553,738	\$179,105
Business	40	\$1,972,854	\$3,967,262
Capital Expenditure			\$24,500
Roads Expenditure			\$30,000
Total	70	\$4,526,591	\$4,200,867

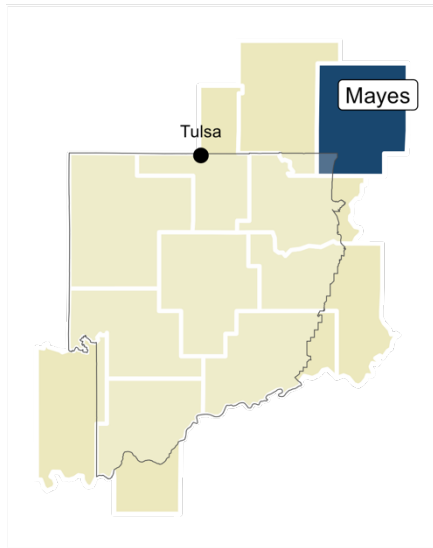
Source: Muscogee (Creek) Nation

Economic Impact

Impact Type	Employment	Payroll	Value Added	Output
Direct Effect	70	\$4,526,591		\$4,200,867
Multiplier Effect	21	\$513,163	\$6,489,665	\$2,203,643
Total Effect	91	\$5,039,755	\$6,489,665	\$6,404,510

Source: Economic Impact Group, LLC.

Mayes County



Region Profile

Total Population: 40,921 (MCN: 1%)

Total Employment: 12,281 (MCN Direct Employment: 0%,
Employment from MCN Impact: 0.03%)

Median Household Income: \$43,302

Educational Attainment: 15.4%

Poverty Rate: 17.5%

MCN Direct Contribution

Category	Employment	Payroll	Output
Government			\$20,560
Total			\$20,560

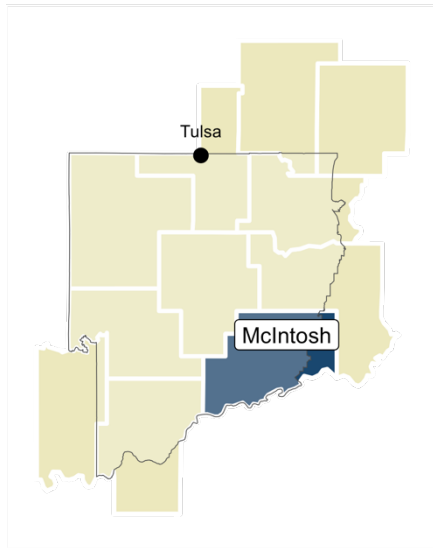
Source: Muscogee (Creek) Nation

Economic Impact

Impact Type	Employment	Payroll	Value Added	Output
Direct Effect				\$20,560
Multiplier Effect	4	\$214,841	\$376,380	\$1,086,642
Total Effect	4	\$214,841	\$376,380	\$1,107,202

Source: Economic Impact Group, LLC.

McIntosh County



Region Profile

Total Population: 19,742 (MCN: 15%)

Total Employment: 3,870 (MCN Direct Employment: 7.4%,
Employment from MCN Impact: 15.9%)

Median Household Income: \$36,878

Educational Attainment: 13.6%

Poverty Rate: 21.2%

MCN Direct Contribution

Category	Employment	Payroll	Output
Government	147	\$6,191,425	\$1,275,223
Business	138	\$5,493,786	\$26,429,670
Capital Expenditure			\$16,142,865
Roads Expenditure			\$158,935
Total	285	\$11,685,211	\$44,006,694

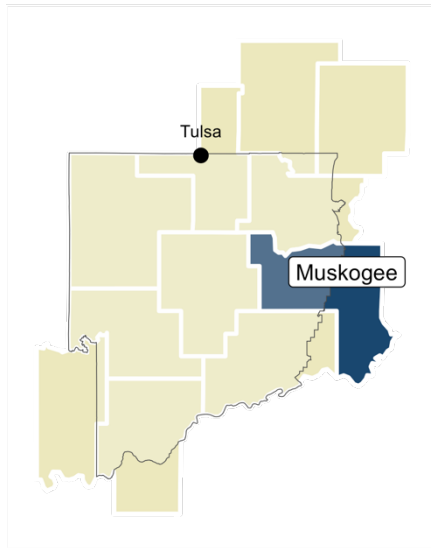
Source: Muscogee (Creek) Nation

Economic Impact

Impact Type	Employment	Payroll	Value Added	Output
Direct Effect	285	\$11,685,211		\$44,006,694
Multiplier Effect	329	\$10,950,038	\$35,821,182	\$17,750,483
Total Effect	615	\$22,635,249	\$35,821,182	\$61,757,177

Source: Economic Impact Group, LLC.

Muskogee County



Region Profile

Total Population: 69,086 (MCN: 5%)

Total Employment: 29,463 (MCN Direct Employment: 1.1%,
Employment from MCN Impact: 1.7%)

Median Household Income: \$41,117

Educational Attainment: 18.9%

Poverty Rate: 21.4%

MCN Direct Contribution

Category	Employment	Payroll	Output
Government	30	\$4,394,546	\$3,229,991
Business	292	\$9,483,125	\$39,642,377
Roads Expenditure			\$1,798,596
Total	322	\$13,877,670	\$44,670,963

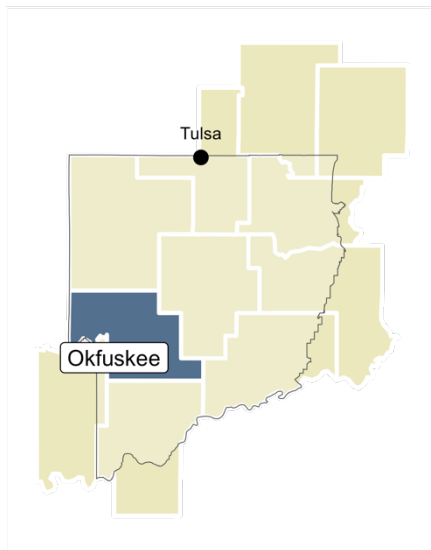
Source: Muskogee (Creek) Nation

Economic Impact

Impact Type	Employment	Payroll	Value Added	Output
Direct Effect	322	\$ 13,877,670	\$	44,670,963
Multiplier Effect	187	\$ 6,745,096	\$ 39,201,062	\$ 23,362,995
Total Effect	509	\$ 20,622,766	\$ 39,201,062	\$ 68,033,958

Source: Economic Impact Group, LLC.

Okfuskee County



Region Profile

Total Population: 12,140 (MCN: 24%)

Total Employment: 2,277 (MCN Direct Employment: 15.6%,
Employment from MCN Impact: 28.6%)

Median Household Income: \$36,044

Educational Attainment: 12.1%

Poverty Rate: 25.1%

MCN Direct Contribution

Category	Employment	Payroll	Output
Government	288	\$7,034,977	\$234,907
Business	66	\$2,561,781	\$8,009,169
Capital Expenditure			\$23,220,944
Roads Expenditure			\$2,027,356
Total	354	\$9,596,758	\$33,492,375

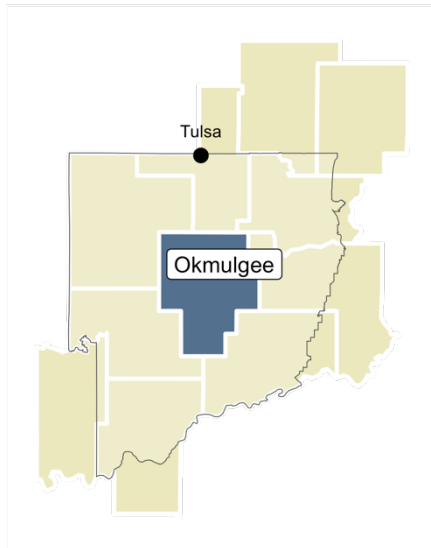
Source: Muscogee (Creek) Nation

Economic Impact

Impact Type	Employment	Payroll	Value Added	Output
Direct Effect	354	\$9,596,758		\$33,492,375
Multiplier Effect	297	\$12,328,723	\$27,373,023	\$10,693,128
Total Effect	651	\$21,925,481	\$27,373,023	\$44,185,503

Source: Economic Impact Group, LLC.

Okmulgee County



Region Profile

Total Population: 38,930 (MCN: 20%)

Total Employment: 9,667 (MCN Direct Employment: 24.8%,
Employment from MCN Impact: 28.2%)

Median Household Income: \$38,712

Educational Attainment: 14.6%

Poverty Rate: 20.7%

MCN Direct Contribution

Category	Employment	Payroll	Output
Government	2,162	\$20,288,983	\$9,954,112
Business	236	\$10,000,712	\$48,121,162
Capital Expenditure			\$6,595,291
Roads Expenditure			\$2,478,089
Total	2,398	\$30,289,695	\$67,148,653

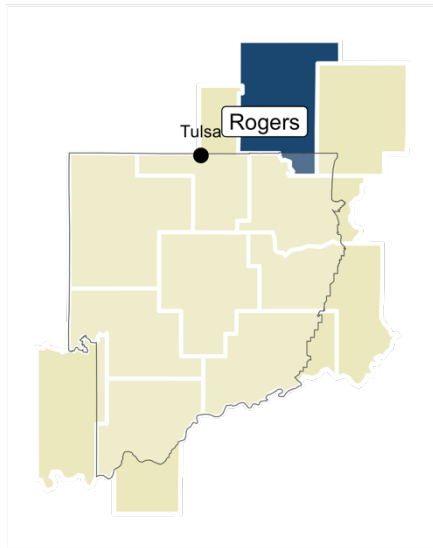
Source: Muscogee (Creek) Nation

Economic Impact

Impact Type	Employment	Payroll	Value Added	Output
Direct Effect	2,398	\$30,289,695		\$67,148,653
Multiplier Effect	328	\$8,970,227	\$61,540,287	\$19,868,205
Total Effect	2,726	\$39,259,922	\$61,540,287	\$87,016,859

Source: Economic Impact Group, LLC.

Rogers County



Region Profile

Total Population: 91,444 (MCN: 1%)

Total Employment: 26,373 (MCN Direct Employment: 0%,
Employment from MCN Impact: 0.2%)

Median Household Income: \$59,828

Educational Attainment: 23.5%

Poverty Rate: 9.1%

MCN Direct Contribution

Category	Employment	Payroll	Output
Government		\$664,762	\$4,534,750
Business		\$988,078	\$720
Total		\$1,652,839	\$4,535,470

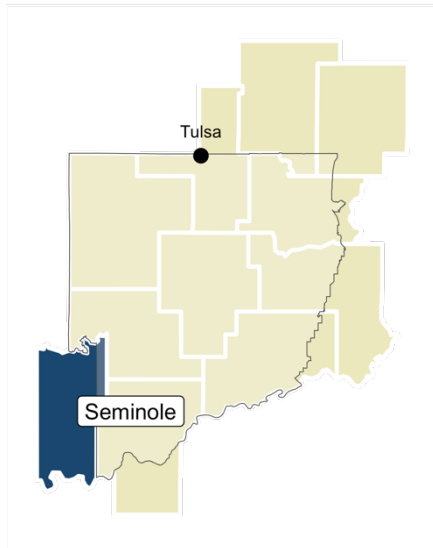
Source: Muscogee (Creek) Nation

Economic Impact

Impact Type	Employment	Payroll	Value Added	Output
Direct Effect		\$1,652,839		\$4,535,470
Multiplier Effect	52	\$35,038	\$2,822,753	\$3,683,572
Total Effect	52	\$1,687,877	\$2,822,753	\$8,219,043

Source: Economic Impact Group, LLC.

Seminole County



Region Profile

Total Population: 24,878 (MCN: 3%)

Total Employment: 7,136 (MCN Direct Employment: 0%, Employment from MCN Impact: 0.25%)

Median Household Income: \$36,870

Educational Attainment: 13.9%

Poverty Rate: 22.6%

MCN Direct Contribution

Category	Employment	Payroll	Output
Government		\$1,054,851	\$340,581
Business		\$226,435	\$1,600
Capital Expenditure			\$837,839
Total		\$1,281,286	\$1,180,021

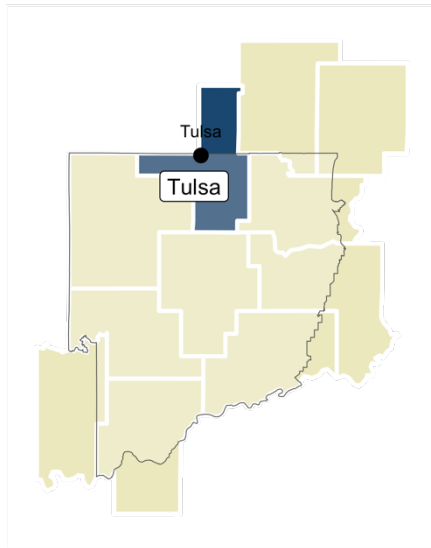
Source: Muscogee (Creek) Nation

Economic Impact

Impact Type	Employment	Payroll	Value Added	Output
Direct Effect		\$1,281,286		\$1,180,021
Multiplier Effect	18	\$378,193	\$2,040,584	\$1,439,554
Total Effect	18	\$1,659,479	\$2,040,584	\$2,619,574

Source: Economic Impact Group, LLC.

Tulsa County



Region Profile

Total Population: 646,266 (MCN: 3%)

Total Employment: 351,314 (MCN Direct Employment: 0.5%,
Employment from MCN Impact: 0.9%)

Median Household Income: \$50,654

Educational Attainment: 30.9%

Poverty Rate: 15.7%

MCN Direct Contribution

Category	Employment	Payroll	Output
Government	110	\$13,009,378	\$54,772,210
Business	1,646	\$51,725,599	\$226,503,707
Capital Expenditure			\$3,580,709
Roads Expenditure			\$2,520
Total	1,756	\$64,734,976	\$284,859,145

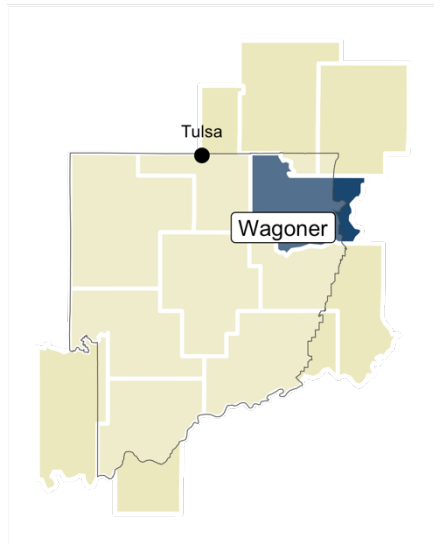
Source: Muscogee (Creek) Nation

Economic Impact

Impact Type	Employment	Payroll	Value Added	Output
Direct Effect	1,756	\$64,734,976		\$284,859,145
Multiplier Effect	1,348	\$71,792,505	\$296,322,269	\$206,287,393
Total Effect	3,104	\$136,527,482	\$296,322,269	\$491,146,538

Source: Economic Impact Group, LLC.

Wagoner County



Region Profile

Total Population: 78,657 (MCN: 3%)

Total Employment: 8,865 (MCN Direct Employment: 0.8%,
Employment from MCN Impact: 1.6%)

Median Household Income: \$57,590

Educational Attainment: 22.7%

Poverty Rate: 11.3%

MCN Direct Contribution

Category	Employment	Payroll	Output
Government	71	\$2,823,999	\$2,863,046
Business		\$4,522,059	\$2,736
Total	71	\$7,346,058	\$2,865,782

Source: Muscogee (Creek) Nation

Economic Impact

Impact Type	Employment	Payroll	Value Added	Output
Direct Effect	71	\$7,346,058		\$2,865,782
Multiplier Effect	68	\$4,077,540	\$5,043,157	\$3,494,893
Total Effect	139	\$11,423,598	\$5,043,157	\$6,360,675

Source: Economic Impact Group, LLC.

Counties outside the MCN Jurisdictional Area

MCN Direct Contribution

Category	Employment	Payroll	Output
Government		\$3,917,373	\$23,688,944
Business		\$4,082,301	\$265,606
Capital Expenditure			\$98,551
Total		\$7,999,674	\$24,053,101

Source: Muscogee (Creek) Nation

Economic Impact

Impact Type	Employment	Payroll	Value Added	Output
Direct Impact		\$3,917,373		\$23,688,944
Multiplier Impact	474	\$19,384,234	\$34,113,949	\$41,505,382
Total Impact	474	\$23,301,607	\$34,113,949	\$65,558,483

Source: Economic Impact Group, LLC.

Entire United States

MCN Direct Contribution

Category	Employment	Payroll	Output
Government	2,580	\$66,772,681	\$181,514,646
Business	2,487	\$102,303,736	\$358,334,345
Capital Expenditure			\$34,357,834
Roads Expenditure			\$7,621,391
Total	5,067	\$169,076,417	\$581,828,216

Source: Muscogee (Creek) Nation

Economic Impact

Impact Type	Employment	Payroll	Value Added	Output
Direct Effect	5,067	\$169,076,417		\$581,828,216
Multiplier Effect	5,005	\$274,375,549	\$801,947,637	\$813,099,264
Total Effect	10,072	\$443,451,966	\$801,947,637	\$1,394,927,480

Source: Economic Impact Group, LLC.

Appendix: Impact Methodology

Impact Estimation

Economic impacts are estimates of the full production, employment, and income that are directly and indirectly linked to the production activity under study. The true impacts are unknowable, as the variety and quantity of expenditures flowing downstream are not specifically reported. However, “good” estimates can be obtained by using existing economic linkages developed from previous industry flows. These previous annual dollar flows are used to construct a model that calculates the downstream impacts that result from MCN government, business, and construction activities. The downstream expenditures include production by related industries, governments, and households. When totaled, these direct (MCN) and multiplier (downstream industries) activities provide a complete picture of the total impact.

Economic impacts were estimated for counties residing within the MCN jurisdiction area, aggregate counties outside their jurisdiction area, and for the entire state of Oklahoma. They were calculated for MCN government activities, business activities, and for roads expenditures and other capital/construction activities. These impacts were summed to provide the estimate of the total impact of MCN activity.

MCN Impacts from MCN government activities are derived from direct government expenditures, employment, and payroll. These impacts were added to business impacts derived from business revenues, employment, and payroll, and capital expenditures for one-time roads and other construction projects. Construction impacts are transient, occurring only once, while government and business (operations) impacts occur annually.

While the Nation undertakes capital projects each year, the construction expenditures can vary widely from year-to-year depending upon the capital projects driving the expenditures. Because of this volatility, construction impacts are calculated separately before being added to the total.

The methodology employed in this report is designed to estimate the contribution of existing activities to the local economy⁶. The approach begins with a static description of expenditure flows between households and industries, capturing the reliance of one industry’s output on other, supporting industries. For example, by examining the expenditures from the construction industry to the wholesale lumber industry we can derive an estimate of the reliance of the construction sector on wholesale lumber output. The initial MCN revenue and expenditure contributions are detailed in the Direct Impacts sections of the report.

From these frozen-in-time expenditure flows, we can derive economic multipliers specific to each industry. These multipliers estimate the combined, or total economic impact originating from an initial expenditure. In the context of this report, for example, the gaming and recreation output multiplier estimates the total impact to economic output stemming from an initial output change within the gaming sector. This methodology is also used for estimating the contribution of government activities. Similarly, multipliers for employment and income are derived and interpreted. This approach is valuable as it provides rich information at a relatively low computational cost. However, the methodology does invoke some restrictive assumptions, including constant prices and a fixed production process, and should not be confused with a computationally higher cost economic forecast.

This approach is valuable as it provides rich information at a relatively low computational

⁶ In fact, while reports of this nature are commonly referred to as ‘impact analyses’, they are more correctly characterized as ‘contribution analyses’

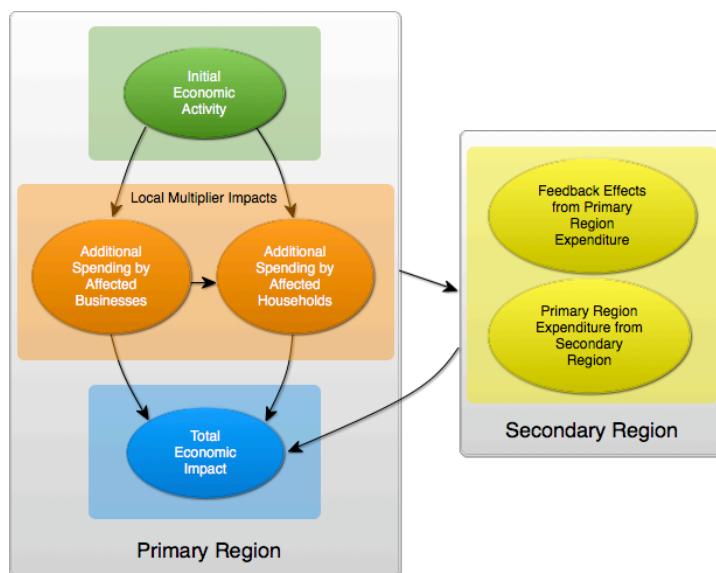
cost. However, the methodology does invoke some restrictive assumptions, including constant prices and a fixed production process, and should not be confused with a computationally higher cost economic forecast. Data were gathered, categorized, and Tribal activity was estimated for the Nation as outlined within the Direct Impacts sections. Tribal expenditures, employment, and payroll were used as primary inputs into Implan⁷ industry and government multipliers for output, employment, and payroll to estimate the total impacts of all activities per annum.

Multi-Region Approach

Traditional impact models confine the economic effects of local activity to the local region. In most cases, this yields a sufficient estimate of the actual local impacts. However, when evaluating impacts from activities that occur across multiple regions, a multi-region model will provide a more comprehensive accounting of the total effect of each activity. The multi-region methodology is the appropriate approach for this study given breadth of Muscogee (Creek) Nation activities across the state. For this report, the multiple regions include individual counties within the jurisdictional area and the aggregate of all counties outside the jurisdictional area. Multi-region models incorporate economic impacts that go beyond the basic single region model described in the previous section. The single-region impacts are calculated and included, but the total impacts also encompass feedback effects from secondary regions (other counties inside the jurisdictional area or areas outside the jurisdictional area) that result from local expenditures as well as impacts that are created from direct expenditures in the secondary region. The diagram to the right illustrates how multi-region impacts are calculated. The box labeled “Primary Region” demonstrates how local impacts are calculated in single-region models. These

impacts are included in the current analysis and serve as the largest share of the total impacts for each individual region. The “Secondary Region” is representative of all additional regions that impact the primary local region.

There are two impacts that come from the secondary region. The first, entitled “Feedback Effects” include expenditure from the secondary region into the primary region that result from the initial primary region expenditure. For example, suppose The MCN purchases local catering services in Okfuskee County (primary region). The caterer purchases food from a wholesaler in Hughes County (secondary region). This wholesaler in turn purchases office supplies from Okfuskee County (primary region). The office supplies purchase would be a feedback effect in the primary region. Such feedback effects are typically small relative to the impacts resulting directly from the primary region local expenditure. This is why most impact studies employ a single-region model when stakeholders are interested in the impacts that occur in only one local region.



⁷ IMPLAN is a nationally recognized vendor of impact multipliers and software. IMPLAN Group LLC, 16905 NorthCross Drive, Suite 120, Huntersville, NC 28078

The other secondary impact occurs when expenditures occur directly in the secondary region which generate additional expenditures in the primary region. For example, a multi-region firm has business operations in two counties: County A and County B. We might want to know their impact on both counties. When they spend dollars in County A, some of their vendors will spend money in County B. Additionally, the County A division of the firm may also spend money directly in County B. Both of these County B expenditures would be captured using the multi-region modelling approach. For this study, we have simultaneous expenditures in multiple counties. Thus, the multi-region approach is the most appropriate methodology.

Data Collection

The Nation provided the primary source data included in the analysis. We worked closely with Nation personnel to collect, evaluate, and categorize revenue, expenditure, payroll, employment, and all other primary data. Data was categorized by Nation function (government, business, capital expenditure) and then sub-

categorized into meaningful groupings. The categories and groupings are:

Government:

- Education
- Government Operations
- Healthcare
- History and Culture
- Housing
- Social Services

Business:

- Gaming and Other
- Manufacturing
- Professional Services and Banking
- Retail

Roads Expenditures:

- New construction
- Maintenance

Capital Expenditures:

- New construction
- Maintenance
- Equipment

Economic Impact Group, LLC

Economic Impact Group (EIG) is a full-service consulting firm dedicated to furthering our client's understanding of their role in the local economy. Founded in 2005, EIG provides an array of services including impact and policy analysis, economic modeling, and market analysis. We specialize in clarity of presentation and dedicated service to our clients.

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