

CREATING ECONOMIC OPPORTUNITIES

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IDEAS YOU CAN USE

COMMUNITY FUNCTIONS

The community can be perceived as a bundle of functions. These five functions are a living center function, a economic center function, a government center function, a service center function, and a social and cultural center function.

The living center function includes houses and neighborhoods. The economic center function includes consumption activity, production activity, and investment activity. In a community with a comprehensive economy, residents can buy their needs and wants, earn a living, and open and operate a business. Ideally the community's economy offers a healthy business climate that encourages and rewards investors.

The government center function encompasses all local, regional, state, and federal government units. The local

government function is designed to provide governance and deliver useful services. Citizens choose what they want to have provided collectively and then support these services by taxing them selves. The service center function includes all services provided by non-governmental associations and organizations that are offered in the not-for-profit arena. For example, boy scouts and girl scouts are two youth service organizations that fit in this function. The Social-Cultural center function includes social organizations and cultural activities. A gourmet club is an example of a social group that enjoys the cultural experience of the culinary art.

In a situation where a community's economy is not comprehensive, residents often commute from home to work. This makes it possible for workers to live in one community and work in another. The following discussion presents a county-by-county analysis of these patterns.

INFORMATION YOU CAN USE

The economies of 105 counties in Kansas rely on two distinct sources of income. One source is "earned income" and the other source is "captured income." Normally earned income is from the export of products to customers outside the borders of their community. But another source of earned income is wages and salaries earned by commuters. This income flows in two directions. In the bedroom communities of Jefferson, Osage and Wabaunsee counties, dollars flow in as commuter income. In the job center communities of Shawnee, Sedgwick and Seward counties, dollars flow out as commuter income. This report

quantifies the reliance of counties on commuter income. It identifies those highly dependent on incoming commuter income as well as outgoing commuter income from job centers. Also identified are those that seem to be independent of commuter income.

The 2001 *County Income Interdependence Value (CIIV)* is computed by dividing the absolute value of commuters' income by the adjusted value of the total income earned from wages and salaries, other labor income, and proprietors' income. Farm proprietors' income is left out of this equation because it was negative in

many counties in 2001. When commuters' income is negative, the adjusted value is calculated by subtracting commuters' income from the total of wages and salaries, other labor income, and proprietor's income. When the commuters' income is positive, no adjustment is made. The source of the data comes from the *Governor's Economic and Demographic Report (2003)*

In this report twenty three counties have a CIIV of 0.26 or greater and are colored in **red**. These are considered bedroom communities. For every 26 cents earned by residents who commute, one dollar of income is earned by county residents who do not commute. Jefferson County has the highest CIIV, 1.90. All the bedroom communities, excepting Kearny County (0.35) are distributed in Eastern Kansas. All the bedroom communities are colored in red and they are clustered around a job center. For example, Wichita in Sedgwick County is a job center and bedroom communities are located in Butler, Elk, Harvey, Kingman, Marion, and Sumner counties.

The 16 job center counties are underlined. In order to be classified as a job center community, the county must have net inflow of 240 or more commuters. Wichita in Sedgwick County, Topeka in Shawnee County, and Kansas City in Wyandotte County are all examples of large job centers. In northwest Kansas there is only one job center county, Thomas. In southwest Kansas

there are four job center counties, Finney, Ford, Grant, and Seward. In north central Kansas there are three, Geary, Mitchell, and Saline counties. In south central Kansas there is only one, Sedgwick County. The other job center counties are Crawford, Coffey, Labette, Lyon, Montgomery, Shawnee and Wyandotte counties.

Twenty-four counties with a 0.02 or lower county income interdependence values are considered as communities with less reliance or no reliance on commuter income. These counties are colored in **blue**. The counties with a 0.00 CIIV are Brown, Lane, Marshall, Pratt, Wallace and Wichita. In the case of Pratt County, this CIIV shows the independent nature of the trade center. The net commuting income reported in the *Governor's Economic and Demographic Report* published in 2003 amounts to only \$129,000 for Pratt County. This amount is equivalent to earnings of just six workers.

All other counties are colored in **black** and therefore not classified as one of the above.

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105 County Average = 0.02
 Maximum Value = 1.90
 Minimum Value = 0.00

David L. Darling
 Sandhyarani Patlolla
 July, 2003

**CIIV:
 County Income
 Interdependence Values**

Cheyenne 0.05	Rawlins 0.05	Decatur 0.04	Norton 0.03	Phillips 0.03	Smith 0.02	Jewell 0.17	Republic 0.05	Washington 0.16	Marshall 0.00	Nemaha 0.01	Brown 0.00	Duniphan 0.23
Sherman 0.05	Thomas 0.05	Sheridan 0.03	Graham 0.03	Rooks 0.05	Osborne 0.06	Mitchell 0.10	Cloud 0.04	Clay 0.22	Riley 0.34	Pottawatomie 0.15	Jackson 0.50	Atchison 0.06
Wallace 0.00	Logan 0.03	Gove 0.04	Trego 0.09	Ellis 0.02	Russell 0.01	Lincoln 0.22	Ottawa 0.64	Dickinson 0.23	Geary 0.85	Shawnee 1.90	Jefferson 1.90	Leavenworth 0.09
Greeley 0.04	Wichita 0.00	Scott 0.07	Lane 0.00	Ness 0.04	Rush 0.04	Barton 0.01	Saline 0.04	McPherson 0.01	Wabaunsee 1.34	Morris 0.24	Osage 1.14	Douglas 0.08
Hamilton 0.01	Kearny 0.35	Finney 0.02	Hodgeman 0.12	Pawnee 0.02	Stafford 0.01	Reno 0.02	Rice 0.13	Harvey 0.26	Chase 0.24	Lyons 0.02	Coffey 0.31	Franklin 0.44
Stanton 0.03	Grant 0.08	Haskell 0.05	Gray 0.05	Ford 0.07	Edwards 0.07	Pratt 0.00	Kingman 0.30	Butler 0.99	Marion 0.26	Greenwood 0.28	Woodson 0.28	Allen 0.01
Morton 0.05	Stevens 0.09	Seward 0.11	Meade 0.15	Clark 0.11	Comanche 0.03	Barber 0.03	Harper 0.12	Sedgwick 0.11	Cherokee 0.38	Elk 0.02	Wilson 0.02	Neosho 0.01
								Sumner 0.82	Cowley 0.06	Chautauqua 0.16	Montgomery 0.05	Laporte 0.05
												Cherokee 0.27

Data Source: The Governor's Economic and Demographic Report, 2003
 Index prepared by K-State Research and Extension.

Red: 0.26 & Higher
 Blue: 0.02 & Lower
 Underlined Counties: Job Centers
 Black: In between 0.02 & 0.26

A Pearl Collection:

Ideas are like babies, they are born small, immature and shapeless. They are promise rather than fulfillment.
 -Peter Drucker

Data leads to information. Information is necessary to acquire knowledge. And, knowledge fosters wisdom. Data is used to scan the environment. Information is organized data that gives perspective. Knowledge is generated by the application of information to an issue. And, wisdom is best used to guide decisions.
 -David Darling

We are what we repeatedly do. Excellence, then, is not an act, but a habit.
 -Aristotle

I want to be thoroughly used up when I die, for the harder I work, the more I live. Life is no brief candle for me. It is sort of a splendid torch, which I have hold of for the moment, and want to make it burn as brightly as possible before handing it on to future generations.
 -George Bernard Shaw

The art of progress is to preserve order amid change, and to preserve change amid order.
 -Alfred North Whitehead

Date Book:

Unity in the Community-PRIDE Day Conference 2003

When: *September 27, 2003*

Where: *Holiday Inn, Great Bend, Kansas.*

The Wichita Area Economic Outlook Conference

When: *October 9, 2003*

Where: *Radisson Broadview Hotel, 400 W. Douglas, Wichita, KS.*

TELEPOWER, E-Vision your future, 03. 12th Annual Conference.

When: *October 15 & 16, 2003*

Where: *Salina Holiday Inn conference Center.*

2003 Kansas Economic Policy Conference

When: *October 24, 2003.*

Where: *Kansas Union, The University of Kansas. Lawrence, KS.*

Registration Fee: \$95.

Version 3 of The Community Economic Development Multimedia Compact Disk: *An Interactive Guide to Understanding Your Community's Economy.*

Presented by: Dr. David Darling

Mr. Gerry Snyder

K-State Research & Extension

Price: \$25 + \$2 (Shipping & Handling): Send orders to David Darling

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