

SUMMARY OF THE FINDINGS FROM THE SEPTEMBER 11, 2009 MONTICELLO AREA FOCUS GROUP SESSION

Assessment of the Area's Economic Conditions

To begin, how is this area's economic condition compared to the nation's economy?

Much Better			Better			About the same			Worse			Much Worse
1	1.1 - 1.49	1.5 - 1.99	2	2.1 - 2.49	2.5 - 2.99	3	3.1 - 3.49	3.5 - 3.99	4	4.1 - 4.49	4.5 - 4.99	5
			7			4			3			
			50%			28.6%			21.4%			

- The average rating for the area's economic condition was 2.71.
- A show of hands revealed that the participants who had rated the area's economy with a 2 were generally located on the western side of this area and especially near Monticello. The average rating for this group was 2.0.
- A show of hands revealed the participants who had rated the area's economy with a 3 or 4 were generally from the eastern side of this area and their assessment reflected the Delta blues. The average rating for this group was 3.43.
- Why did some of you rate the conditions with a 2? We have a strong retail environment in Monticello; housing is much better in this area than it is around the country; while our economy is not very diverse, the narrower range of what we have has done fairly well; many people in this area receive government payment or assistance, so their incomes have held up; our employment opportunities are not great but they are better than the nation's.
- Why did some of you rate the conditions with a 3? There are packets doing fairly well, but things vary across this area quite a bit; the lack of diversity in our economy has held us back; enrollments in colleges are up again, but this is due to the poor economy and some workers without jobs deciding to get training or to finish a degree; there will still be some tough times ahead, so the region is doing fairly well but not great; people are cautious about spending on things other than essentials, so the future for sales tax revenues are uncertain; housing costs are a little high for the wages that are paid in this area, so people are not trading up from a starter home to a better home; and the small size of this area's population makes it hard to us to compete for new employers, etc.
- Why did some of you rate the conditions with a 4? The Delta's economy has been depressed for a longer time; we are not positioned to recover and will not benefit when the nation's economy improves; the unemployment rate in Dumas and Desha County has not been below 8% for 25 years; there is a shortage of housing stock, except in the upper price range; we are below the average on all measures of educational attainment; when the young leave this area for education or training, they do not come back, except to visit; and we have seen retail and residential movement from other communities into Monticello so that our local citizens now drive to Monticello as a destination for the day, to shop and for entertainment.

Capital Investments and Losses

- The group identified thirteen investments and only four losses.
- The investments included such things as the regional Southeast Arkansas intermodal transportation center, reconstruction in Dumas following the tornado, reinvestment in the communities, investments and construction at schools, UA Monticello's completed

construction on all three campuses, industrial and retail development, highways improvements, and hospital and health care.

- One participant observed that he would like to go back to the rating of the area's economic condition and give the area a better score in light of what he had just heard.
- Losses included the closure of the Federal Mogul plant and 45 jobs gone from Leer Manufacturing.

Situation with Labor and the Workforce

- The rice mill in McGehee has higher paying jobs that they are unable to fill and logging firms search for drivers. Too many applicants fail the drug screening test.
- "Workers" do not perceive that is worth their effort to stop drawing unemployment insurance or other benefits to get a job that pays the minimum or close to it.
- The younger generation seems not to have the strong work ethic that we have had. This problem cuts across all the socio-economic tracks. We need to do succession planning and do not find our younger workers willing to put in the time and energy to become future officers.
- When we administer the "teller test" to applicants we find that about 75% of them cannot attain the "average" score. When we hire them and train them, we find that they will not stay with us. This is true for us at all of our branches.
- The really good students and workers in the younger generation are the ones that are leaving this area.
- If we were to make an intensive investment in education beginning in middle school about "how to get a job," do you think that it would make a difference? Perhaps.

Future Directions for Development in the Area

- We will see an expansion of service jobs in health care, education, and technology.
- There will likely be growth in forestry and wood products.
- This area will produce raw materials, including agricultural products, and should grow businesses and industries that add value to those products before we "export" them.
- The expansion of the Panama Canal to be able to accommodate the largest of the modern container ships creates tremendous opportunities for those of us with ports on the Mississippi River. Our area could have a strong future in logistics and intermodal shipping.
- The new bridge across the Mississippi River that will open next year will improve this areas surface transportation linkages.