

**2024**

# **High-Level Estimated Economic & Fiscal Impacts**

**Clay County Fair**

**Clay County Fair & Events Center**

**Spencer, IA**

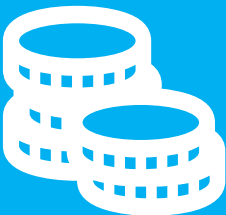


299,999  
VISITORS

7,700  
HOTEL ROOM NIGHTS  
GENERATED



\$92.0  
MILLION



Economic impact on the  
local economy



710

Ongoing jobs sustained



\$30.9  
MILLION

Wages created



\$2.8 M

Sales tax revenues generated



\$153,100

Hotel tax revenues generated



\$3.0  
MILLION

Fiscal impact  
(sales and hotel tax revenues)



JOHNSON  
CONSULTING

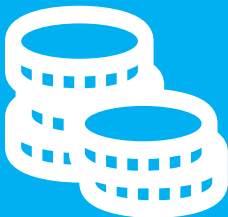


327,999  
VISITORS

8,700  
HOTEL ROOM NIGHTS  
GENERATED



\$99.2  
MILLION



Economic impact on the  
local economy



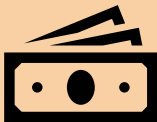
760

Ongoing jobs sustained



\$33.4

MILLION  
Wages created



\$3.0 M

Sales tax revenues generated



\$168,800

Hotel tax revenues generated

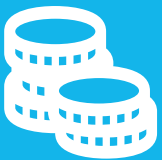


\$3.2  
MILLION

Fiscal impact  
(sales and hotel tax revenues)



JOHNSON  
CONSULTING

|                                                                                                                                                                                                                                                                                                                                                                                       | Fair | Total (Year-Round) |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------|--------------------|
| <b>Activity Volume</b><br> <p>Attendance: 299,999<br/>Out-of-Town Visitors: 96,000<br/>Overnight Visitors: 13,100<br/><b>Hotel Room Nights: 7,700</b></p>                                                                                                                                            |      |                    |
| <b>Estimated Spending Volume</b><br> <p>Spending at Fair/ Fairgrounds: \$18.0 M<br/>Spending Outside Fair/ Fairgrounds: \$18.0 M<br/>Operational Spending: \$5.7 M<br/><b>Total Direct Spending: \$41.7 M</b></p>                                                                                    |      |                    |
| <b>Economic Impact</b><br> <p>Wages Created: \$30.9 M<br/>Ongoing Jobs Sustained: 710<br/><b>Total Economic Impact: \$92.0 M</b></p>                                                                                                                                                                 |      |                    |
| <b>Fiscal Impact</b><br> <p>State Sales Tax Revenues*: \$2.4 M<br/>County Sales Tax Revenues : \$403,900<br/>City Sales Tax Revenues : -<br/>State Hotel Tax Revenues: \$63,800<br/>County Hotel Tax Revenues: -<br/>City Hotel Tax Revenues: \$89,300<br/><b>Total Fiscal Impact: \$3.0 M</b></p> |      |                    |

\*Including general Sales Tax on lodging, where applicable

Source: BEA (RIMS II), Johnson Consulting

Clay County Fair / Clay County Fair & Events Center  
 2024 | Benchmarking of High-Level Economic and Fiscal Impact  
 Compared to Average Metrics for Fairs with 200K-500K Attendees in IAFE Heartland Zone

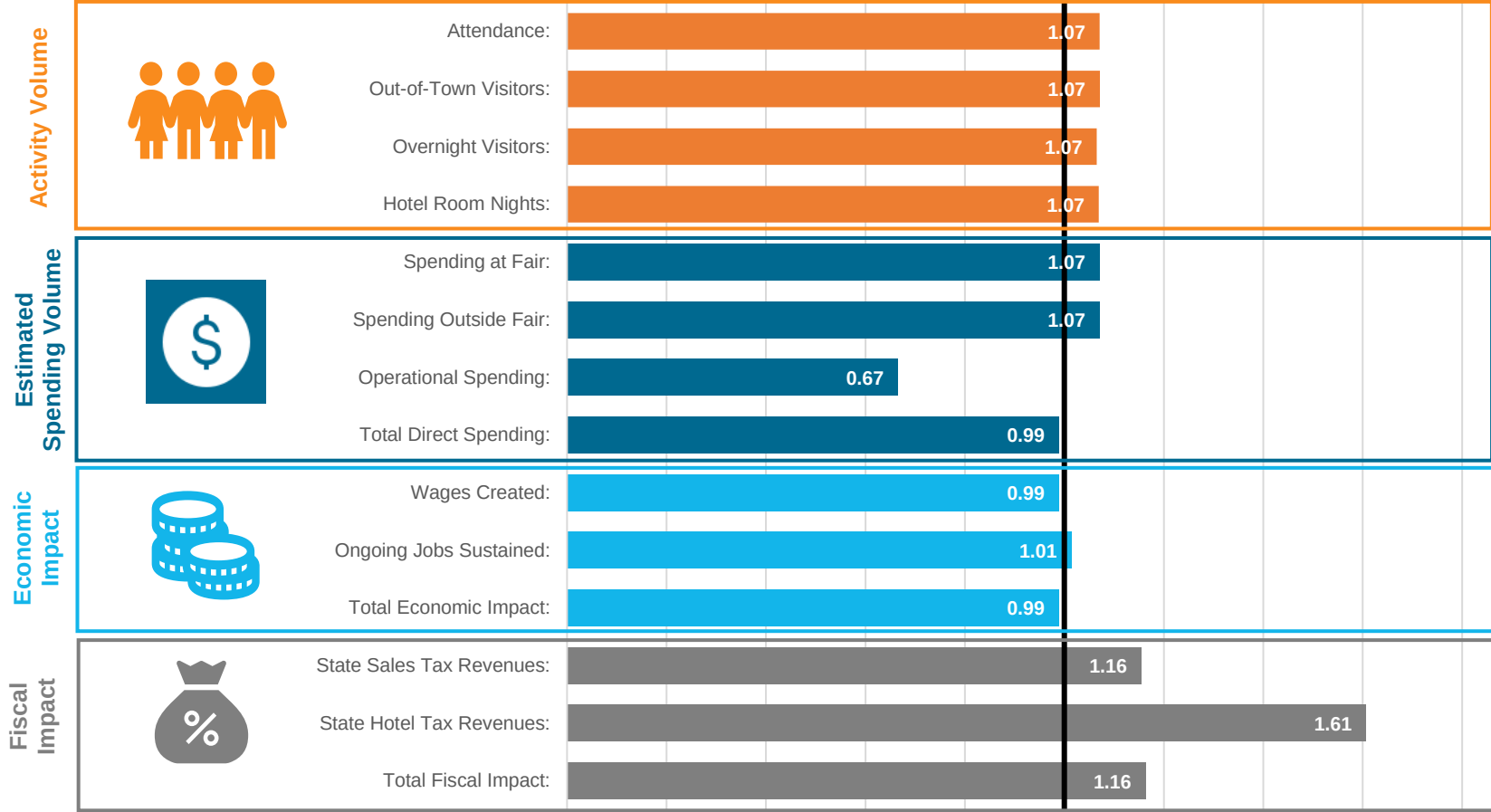


|                                                                                                                                                                                                                                                                 | Fair                                               | Benchmark                                          | Total<br>(Year-Round)                              | Benchmark                                           |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------|----------------------------------------------------|----------------------------------------------------|-----------------------------------------------------|
| <b>Activity Volume</b><br> <p>Attendance:<br/>Out-of-Town Visitors:<br/>Overnight Visitors:<br/><b>Hotel Room Nights:</b></p>                                                  | 299,999<br>96,000<br>13,100<br><b>7,700</b>        | 280,100<br>89,600<br>12,300<br><b>7,200</b>        | 327,999<br>106,000<br>14,800<br><b>8,700</b>       | 394,800<br>130,500<br>19,200<br><b>11,300</b>       |
| <b>Estimated Spending Volume</b><br> <p>Spending at Fair/ Fairgrounds:<br/>Spending Outside Fair/ Fairgrounds:<br/>Operational Spending:<br/><b>Total Direct Spending:</b></p> | \$18.0 M<br>\$18.0 M<br>\$5.7 M<br><b>\$41.7 M</b> | \$16.8 M<br>\$16.8 M<br>\$8.5 M<br><b>\$42.1 M</b> | \$18.4 M<br>\$19.8 M<br>\$6.6 M<br><b>\$44.9 M</b> | \$18.5 M<br>\$24.3 M<br>\$10.5 M<br><b>\$53.3 M</b> |
| <b>Economic Impact</b><br> <p>Wages Created:<br/>Ongoing Jobs Sustained:<br/><b>Total Economic Impact:</b></p>                                                                | \$30.9 M<br>710<br><b>\$92.0 M</b>                 | \$31.3 M<br>700<br><b>\$93.0 M</b>                 | \$33.4 M<br>760<br><b>\$99.2 M</b>                 | \$39.6 M<br>900<br><b>\$117.7 M</b>                 |
| <b>Fiscal Impact</b><br> <p>State Sales Tax Revenues*:<br/>State Hotel Tax Revenues:<br/><b>Total State Fiscal Impact:</b></p>                                               | \$2.4 M<br>\$63,800<br><b>\$2.5 M</b>              | \$2.1 M<br>\$39,700<br><b>\$2.1 M</b>              | \$2.6 M<br>\$70,300<br><b>\$2.7 M</b>              | \$2.6 M<br>\$85,200<br><b>\$2.7 M</b>               |

\*Including general Sales Tax on lodging, where applicable

Source: BEA (RIMS II), Johnson Consulting

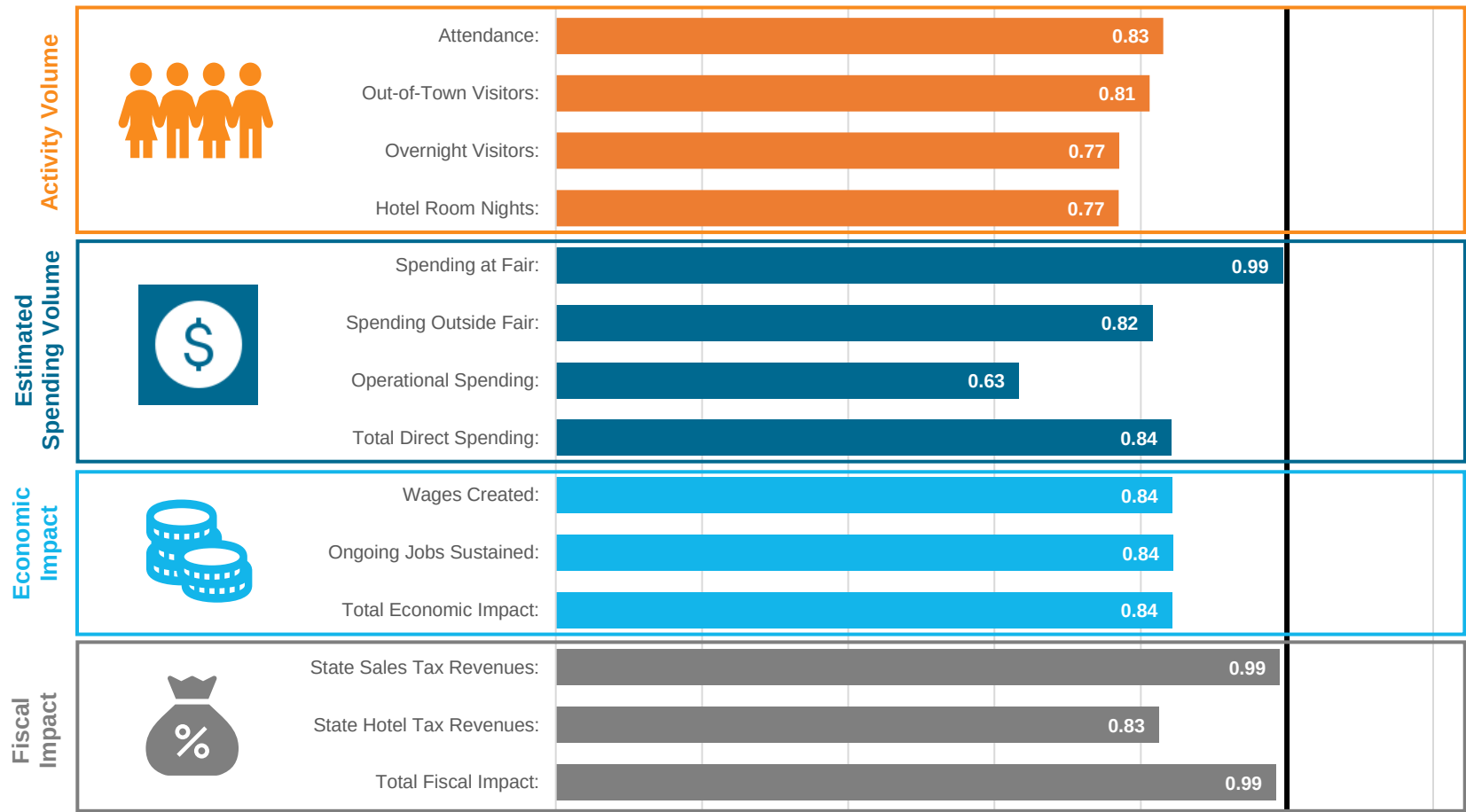
Clay County Fair  
 2024 | Benchmarking of High-Level Economic and Fiscal Impact for the Annual Fair  
 Compared to Average Metrics for Fairs with 200K-500K Attendees in IAFE Heartland Zone



Source: Johnson Consulting

BENCHMARK

Clay County Fair / Clay County Fair & Events Center  
 2024 | Benchmarking of High-Level Economic and Fiscal Impact for Year-Round Activity  
 Compared to Average Metrics for Fairs with 200K-500K Attendees in IAFE Heartland Zone



Source: Johnson Consulting

BENCHMARK

Activity Volume

1 Attendance

- Fair: Sourced from IAFE Survey, IAFE database or estimated using Placer.ai, which is an analytics platform that provides aggregated location data based upon visit trends, trade areas, and demographics.
- Total: Year-round, including the annual Fair.

2 Out-of-Town Visitors

- Fair: Estimated using Placer.ai, reflecting visitors who originated from 50+ miles away from the location of the Fair, during the 2024 Fair period, and known data sources for individual Fairs, where available; Aggregated to national level, based on IAFE attendance categories (see Data Verification).
- Total: Year-round, including the annual Fair; Aggregated to national level, based on IAFE attendance categories (see Data Verification).

3 Overnight Visitors

Defined as visitors who stay overnight at area hotels, excluding those who stay on-site, at area campgrounds/ RV parks, or with family/ friends (which are not subject to lodging taxes):

- Fair: Estimated using Placer.ai, reflecting visitors who originated from 100+ miles away from the location of the Fair, during the 2024 Fair period, and known data sources for individual Fairs, where available; Aggregated to national level, based on IAFE attendance categories (see Data Verification).
- Total: Year-round, including the annual Fair; Aggregated to national level, based on IAFE attendance categories (see Data Verification).

4 Room Nights

- Fair: Assumes an average occupancy of 1.7 visitors per hotel room, reflecting family-oriented nature of Fairs.
- Total: Year-round, including annual Fair.

Estimated Spending Volume

# Spending at Fair/ Fairgrounds

- Fair: Reflects varying average on-site spending by IAFE Zone and size category, adjusted to reflect Fair income and proportion of on-site spending that is retained by the Fair, based on known sources of information, where available.
- Total: Year-round, including the annual Fair; Reflects varying levels of non-Fair on-site spending by IAFE Zone and size category.

2 Spending Outside Fair/ Fairgrounds

Reflects published 2024 rates specific to subject State/ IAFE Zone, sourced from the U.S. General Services Administration; Adjusted to reflect published peak and non-peak Average Daily Rates, reflecting published data from CoStar, which is a which maintains a database of commercial real estate information:

- Fair: Assumes only Overnight Visitors spend on lodging and Out-of-Town Visitors spend on meals, incidentals and other categories of spend.
- Total: Year-round, including the annual Fair.

3 Operational Spending

- Fair: Sourced from IAFE Survey, or estimated based on known data for similar Fairs in each IAFE Zone and size category.
- Total: Year-round, including the annual Fair, sourced from IAFE Survey, data reported directly by relevant State association or published not-for-profit sources of 990 forms (GuideStar and ProPublica).

4 Total Direct Spending

- Fair: Sum of Spending at Fair, Spending Outside Fair and Fair Operational Spending, or based on known data.
- Total: Sum of Total Spending.

**DISCLAIMER:** Johnson Consulting has no responsibility to update this report for events and circumstances occurring after the date of this report. Johnson Consulting used sources deemed to be reliable but cannot guarantee their accuracy. Moreover, some of the estimates and analyses presented in this study are based on trends and assumptions, and are intended to be high-level using IAFE Zone and national assumptions, which can result in differences between projected results and actual results. Because events and circumstances frequently do not occur as expected, those differences may be material. This report is intended for the Clients’ internal use and cannot be used for project underwriting purposes without Johnson Consulting’s written consent.

Economic Impact

Reflects multipliers specific to IAFE Zone and IAFE Size Category, sourced from Bureau of Economic Analysis (RIMS II):

1 Wages Created

- Fair: Reflects Fair Total Direct Spending and Increased Earnings multiplier per above.
- Total: Year-round, including annual Fair.

2 Ongoing Jobs Sustained

- Fair: Reflects Fair Total Direct Spending and Employment multiplier per above.
- Total: Year-round, including annual Fair.

3 Total Economic Impact

- Fair: Sum of Direct, Indirect and Induced Fair Spending per multipliers above.
- Total: Year-round, including annual Fair.

Fiscal Impact

Reflects State-specific 2024 tax rates for IAFE Zones, based on published sources:

1 State Sales Tax Revenue

- Fair: Reflects Fair Total Direct Spending, net of Spending on Lodging, multiplied by State Sales Tax rate; Includes State Sales Tax payable on lodging, where applicable.
- Total: Year-round, including annual Fair.

2 State Hotel Tax Revenue

- Fair: Reflects Fair Spending on Lodging, multiplied by State Lodging Tax rate.
- Total: Year-round, including annual Fair.

3 Total Fiscal Impact

- Fair: Sum of Fair State Sales and State Lodging Tax Revenues.
- Total: Sum of Total State Sales and State Lodging Tax Revenues.

DEFINITIONS

Economic Impact

Various transactions occurring at a Fairgrounds (during Fair and non-Fair periods) generate ongoing, annual economic and fiscal impacts to the local and regional economies. Initial transactions occurring at the Fairgrounds 'ripple out' and generate indirect spending, induced spending, increased earnings, and employment, as well as various tax revenues for the local economy.

Economic impact is defined as incremental new spending in an economy that is the direct result of certain activities, facilities, or events. The levels of impacts are described as follows:

- Direct Spending** is an expression of the spending that occurs as a direct result of the events and activities that occur at the Fairgrounds. For example, an event attendee's expenditures on event tickets, hotel rooms, shopping, and meals are direct spending.
- Indirect Spending** consists of re-spending of the initial or direct expenditures, or the supply of goods and services resulting from the initial direct spending at the Fairgrounds. For example, an event attendee's direct expenditure on a restaurant meal causes the restaurant to purchase food and other items from suppliers. The portion of these restaurant purchases that are within the local, regional, or State economies is counted as an indirect spending.
- Induced Spending** represent changes in local consumption due to the personal spending by employees whose incomes are affected by direct and indirect spending. For example, a waiter at the restaurant may have more personal income as a result of a patron's visit. The amount of the increased income the waiter spends in the local economy is called an induced spending.
- Total Spending** is the sum of direct spending, indirect spending, and induced spending.
- Increased Earnings** measures increased employee and worker compensation related to the project being analyzed. This figure represents increased payroll expenditures, including benefits paid to workers locally. It also expresses how the employees of local businesses share in the increased outputs.

**Employment** measures the number of jobs supported in the study area related to the spending generated as a result of the events occurring at the Fairgrounds. Employment impact is stated in the number of ongoing jobs.

Indirect spending, induced spending, increased earnings, and employment are estimated using a set of multiplier rates that are applied to the amount of direct spending. These figures are derived from an input-output model specifically purchased from the Bureau of Economic Analysis (RIMS II). An input-output model analyzes the commodities and income that normally flow through various sectors of the economy.

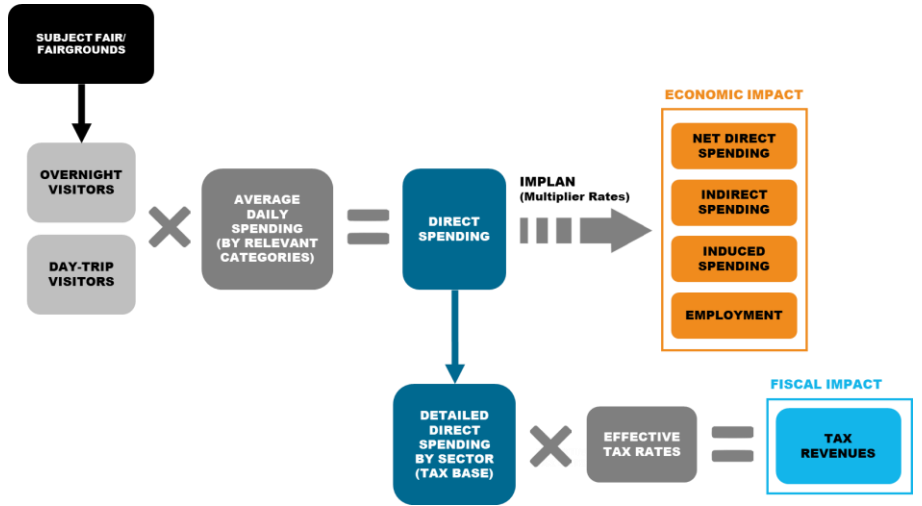
Fiscal Impact

Fiscal impact analysis measures the estimated tax revenues resulting from direct spending on certain activities, facilities, or events. For this analysis, fiscal impact estimates focus on major categories of tax revenues that are directly affected by a visitor's activity – general sales and use tax and hotel/ motel tax – for each individual State and IAFE Zone.

IAFE Zones



METHODOLOGY



DATA VERIFICATION

Inventory of Fairs

| Total Number of Fairs by Category |                  |           |           |             |               |           |       |                  |               |       |
|-----------------------------------|------------------|-----------|-----------|-------------|---------------|-----------|-------|------------------|---------------|-------|
| Category (IAFE)                   | Attendance Range | Northeast | Southeast | Ohio Valley | Upper Midwest | Heartland | South | Rocky Mountains* | Pacific Coast | TOTAL |
| 0                                 | <25K             | 124       | 48        | 94          | 88            | 218       | 52    | 47               | 72            | 743   |
| 1                                 | 25K-100K         | 81        | 51        | 74          | 48            | 52        | 40    | 31               | 65            | 442   |
| 2                                 | 100K-200K        | 13        | 14        | 25          | 13            | 11        | 12    | 5                | 13            | 106   |
| 3                                 | 200K-500K        | 8         | 13        | 7           | 5             | 8         | 9     | 6                | 12            | 68    |
| 4                                 | 500K-1M          | 2         | 5         | 4           | 0             | 1         | 4     | 1                | 5             | 22    |
| 5                                 | 1M+              | 2         | 0         | 0           | 2             | 1         | 5     | 0                | 1             | 11    |
| Total                             |                  | 230       | 131       | 204         | 156           | 291       | 122   | 90               | 168           | 1,392 |

\* Insufficient data; Sample adjusted based on known inputs  
Source: IAFE, Johnson Consulting

Sample Size

| Sample Size     |                  |           |           |             |               |           |       |                  |               |        |
|-----------------|------------------|-----------|-----------|-------------|---------------|-----------|-------|------------------|---------------|--------|
| Category (IAFE) | Attendance Range | Northeast | Southeast | Ohio Valley | Upper Midwest | Heartland | South | Rocky Mountains* | Pacific Coast |        |
| 0               | <25K             | 91.1%     | 75.0%     | 85.1%       | 77.3%         | 78.0%     | 78.8% | 78.4%            |               | 84.7%  |
| 1               | 25K-100K         | 91.4%     | 68.6%     | 90.5%       | 64.6%         | 84.6%     | 72.5% | 79.7%            |               | 95.4%  |
| 2               | 100K-200K        | 92.3%     | 92.9%     | 88.0%       | 84.6%         | 90.9%     | 83.3% | 87.2%            |               | 100.0% |
| 3               | 200K-500K        | 87.5%     | 92.3%     | 100.0%      | 60.0%         | 100.0%    | 55.6% | 86.8%            |               | 100.0% |
| 4               | 500K-1M          | 100.0%    | 100.0%    | 100.0%      | -             | 100.0%    | 75.0% | 100.0%           |               | 80.0%  |
| 5               | 1M+              | 100.0%    | -         | -           | 100.0%        | 100.0%    | 80.0% | -                |               | 100.0% |
| Total           |                  | 91.3%     | 77.1%     | 88.2%       | 73.7%         | 80.4%     | 75.4% | 80.5%            |               | 91.1%  |

\* Insufficient data; Sample adjusted based on known inputs  
Source: IAFE, Johnson Consulting

## Johnson Consulting Mission Statement

Johnson Consulting is committed to providing governments, developers, and not-for-profits with real estate market and financial analysis and project implementation support for urban and destination-oriented projects.

We guide our clients through organizational advancement by way of best-practice advisory services.

We promote the following values through our work: objectivity, independence, economic pragmatism, and social responsibility.



**JOHNSON CONSULTING**

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