

THE ECONOMIC IMPACT OF VISITORS TO THE PONTOTOC COUNTY AGRIPLEX

Janna Kelley - County Extension Director, OSU, Ada
(580) 332-2153

Jack Frye - Area Extension Community Development Specialist, OSU, Ada
(580) 332-4100

Dave Shideler - Extension Economist, OSU, Stillwater
(405)-744-6170

RURAL DEVELOPMENT
OKLAHOMA COOPERATIVE EXTENSION SERVICE
OKLAHOMA STATE UNIVERSITY



September 2008

THE ECONOMIC IMPACT OF VISITORS TO THE PONTOTOC COUNTY AGRI-PLEX

| | |
|---|--|
| Janna Kelley Pontotoc County Extension Director 1700 N Broadway Ada, OK 74820-1406 ejanna@okstate.edu | Jack Frye Area Extension Rural Dev. Specialist 314 S. Broadway, Suite 101 Ada, OK 74821-1378 jfrye@okstate.edu |
|---|--|

Dave Shideler
Extension Economist
323 Ag Hall
Oklahoma State University
Stillwater, OK 74078
Dave.shideler@okstate.edu

ABSTRACT

This paper provides an impact study of events and activities held at the Pontotoc County Agri-Plex. The report is based on data provided by the Agri-plex management concerning the number of visitors to these events. Analysis of these visitors' economic impact on the county's economy utilizes IMPLAN multipliers.

"Oklahoma State University, in compliance with Title VI and VII of the Civil Rights Act of 1964, Executive Order 11246 as amended, Title IX of the Education Amendments of 1972, Americans with Disabilities Act of 1990, and other federal laws and regulations, does not discriminate on the basis of race, color, national origin, sex, age, religion, disability, or status as a veteran in any of its policies, practices or procedure. This includes but is not limited to admissions, employment financial aid, and educational services."

"Readers may make verbatim copies of this document for non-commercial purposes by any means."

THE ECONOMIC IMPACT OF VISITORS TO THE PONTOTOC COUNTY AGRI-PLEX

Economic development efforts are of great concern to local leaders in Oklahoma. Often, estimates of potential impacts are useful when analyzing economic development options. The overall purpose of this study is to measure the economic impact of visitors to Pontotoc County who attend events and activities held at the Pontotoc County Agri-plex. Examples of events include family reunions, the county fair, monthly meetings of various groups, etc. Specific objectives of the study are to:

1. Provide basic economic data for Pontotoc County;
2. Summarize the estimated direct economic impact of the visitors to Pontotoc County;
3. Review some basic concepts of community economics; and
4. Estimate the secondary impacts of the visitors to Pontotoc County.

No recommendations will be made in this report. This report addresses economic impacts of visitors to Pontotoc County. There may be additional benefits and/or costs not addressed in this report. The analysis conducted is based on assumptions and data provided by the Pontotoc County Agri-plex management regarding the total number of visitors and the number of visitors staying overnight in Pontotoc County.

Basic Demographic and Economic Data

Before discussing the impacts of visitors to the Pontotoc County Agri-plex, it is useful to review some basic data for Pontotoc County. These data provide current economic and social trends existing in the county. Table 1, for example, provides population estimates for cities and towns in Pontotoc County. Total county population is shown to have increased from 34,119 in 1990 to 35,143 in 2000, a 3.0% increase for the decade. The communities of Byng, Fitzhugh, and Roff show some degree of population increase for the decade. For 2000 to 2007, Census

estimates show that the county population increased by 4.1%. All communities within Pontotoc County realized population growth since 2000.

Table 2 lists employment by type for Pontotoc County using data from the Bureau of Economic Analysis for the years 2001 through 2006. Total employment has grown consistently since 2004. The lowest value is 21,699 for 2002, and the highest value is 24,986 for 2006.

Table 2 also shows that state and local government, health care and social assistance, and retail trade are important sectors for Pontotoc County employment. Labor force data from the Bureau of Labor Statistics for Pontotoc County are listed in Table 3, and labor force data for Oklahoma are listed in Table 4. Unemployment rates for Pontotoc County ranged from a low of 3% percent in 1999 to a high of 7% percent back in 1995. The rate for 2007 is 3.8%. Oklahoma's unemployment rate for 2007 is shown to be 4.3%.

Table 5 provides personal income data by major source from 2001 to 2006. Per capita personal income in 2006 was \$27,416 while total personal income in 2006 was about \$983 million. Note that the "adjustment for residence" for Pontotoc County is negative and growing. This indicates that some people commute into Pontotoc County from other counties, and thus take their income home with them (this is why it must be subtracted out of the derivation of local income.)

Table 6 lists the sales tax collections of communities in Pontotoc County. For fiscal year 2007, Pontotoc County collected nearly \$500,000 in the two months of the fiscal year it levied the tax. The City of Ada collected over \$327 million at a 4% tax rate. Allen collected over \$4 million at a 3% rate. Byng, Francis, Roff and Stonewall also collect a city sales tax.

TABLE 1
POPULATION PONTOTOC COUNTY, OKLAHOMA, 1990, 2000 AND 2007

| | 1990* | 2000* | 2007^ | % Change 1990-2000 | % Change 2000-2007 |
|----------------------------|--------|--------|--------|-----------------------|-----------------------|
| Ada City | 15,820 | 15,691 | 16,537 | -0.82% | 5.39% |
| Allen town (pt.) | 860 | 828 | 864 | -3.72% | 4.35% |
| Byng town | 755 | 1,090 | 1,147 | 44.37% | 5.23% |
| Fitzhugh town | 196 | 204 | 213 | 4.08% | 4.41% |
| Francis town | 346 | 332 | 348 | -4.05% | 4.82% |
| Roff town | 717 | 734 | 754 | 2.37% | 2.72% |
| Stonewall town | 519 | 465 | 488 | -10.40% | 4.95% |
| Balance of Pontotoc County | 14,906 | 15,799 | 16,220 | 5.99% | 2.66% |
| Pontotoc County | 34,119 | 35,143 | 36,571 | 3.00% | 4.06% |

* Decennial Census

Source: ^ 2007 Oklahoma Population Estimates by Place by County,

http://staging.okcommerce.gov/test1/dmdocuments/2007_Oklahoma_Population_Estimates_by_Place_by_County_1407082493.xls; downloaded 9/10/08, 3:45pm

TABLE 2
EMPLOYMENT BY MAJOR SECTOR FOR PONTOTOC COUNTY, 2001-2006

| | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 |
|--|--------|--------|--------|--------|--------|--------|
| Total employment | 21,719 | 21,699 | 22,255 | 22,129 | 23,364 | 24,986 |
| Farm employment | 1,419 | 1,414 | 1,359 | 1,377 | 1,380 | 1,381 |
| Forestry, fishing, related activities, and other | (D) | (D) | (D) | (D) | (D) | (D) |
| Mining | 611 | 614 | 607 | 559 | 608 | 625 |
| Utilities | 136 | 142 | 140 | 139 | 135 | 143 |
| Construction | 813 | 802 | 798 | 861 | 946 | 1,107 |
| Manufacturing | 2,279 | 2,061 | 1,744 | 1,545 | 1,742 | 1,804 |
| Wholesale trade | 618 | 579 | 572 | 582 | 566 | 564 |
| Retail Trade | 2,291 | 2,266 | 2,256 | 2,239 | 2,344 | 2,345 |
| Transportation and warehousing | 245 | 242 | 254 | 287 | 366 | 437 |
| Information | 203 | 194 | 207 | 211 | 146 | 149 |
| Finance and insurance | 1,299 | 1,337 | 1,400 | 1,467 | 1,594 | 1,723 |
| Real estate and rental and leasing | 316 | 366 | 341 | 382 | 410 | 458 |
| Professional and technical services | (D) | 625 | (D) | (D) | (D) | (D) |
| Management of companies and enterprises | (D) | (D) | (D) | (D) | (D) | (D) |
| Administrative and waste services | 1,449 | (D) | 1,513 | 1,077 | 1,118 | 1,509 |
| Educational services | 77 | 65 | (D) | 176 | 196 | 214 |
| Health care and social assistance | 2,423 | 2,467 | (D) | 2,594 | 2,621 | 2,670 |
| Arts, entertainment, and recreation | 186 | 192 | 159 | 153 | 165 | 174 |
| Accommodation and food services | 1,039 | 1,077 | 1,136 | 1,076 | 1,078 | 1,240 |
| Other services, except public administration | 1,161 | 1,237 | 1,249 | 1,238 | 1,237 | 1,279 |
| Federal government, civilian | 242 | 235 | 234 | 230 | 224 | 222 |
| Military | 172 | 169 | 169 | 162 | 149 | 150 |
| State and local government | 4,055 | 4,062 | 4,741 | 5,062 | 5,637 | 6,037 |

Source: Regional Economic Information System 1969-2006, v4.0.4, Table CA25N

TABLE 3
LABOR FORCE DATA FOR PONTOTOC COUNTY, 1995 to 2007

| | Employment | Unemployment | Labor Force | Unemployment Rate |
|------|-------------------|---------------------|--------------------|--------------------------|
| 1995 | 16,435 | 15,351 | 1,084 | 7 |
| 1996 | 16,302 | 15,412 | 890 | 6 |
| 1997 | 16,666 | 15,851 | 815 | 5 |
| 1998 | 16,945 | 16,052 | 893 | 5 |
| 1999 | 17,193 | 16,601 | 592 | 3 |
| 2000 | 16,710 | 16,156 | 554 | 3 |
| 2001 | 16,694 | 16,038 | 656 | 4 |
| 2002 | 16,803 | 15,979 | 824 | 5 |
| 2003 | 17,981* | 17,058* | 923* | 5.1* |
| 2004 | 17,767* | 16,712* | 1,055* | 5.9* |
| 2005 | 18,670* | 17,855* | 815* | 4.4* |
| 2006 | 20,114* | 19,375* | 739* | 3.7* |
| 2007 | 19,571* | 18,827* | 744* | 3.8* |

* Denotes revised figures

Source: Bureau of Labor Statistics, Local Area Unemployment Statistics, extracted at:
<http://www.bls.gov/lau/data.htm> on 9/26/08 at 1:30 pm

TABLE 4
LABOR FORCE DATA FOR OKLAHOMA, 1995 to 2007

| | Employment | Unemployment | Labor Force | Unemployment Rate |
|------|-------------------|---------------------|--------------------|--------------------------|
| 1995 | 1,490,602 | 72,191 | 1,562,793 | 4.6 |
| 1996 | 1,514,880 | 65,935 | 1,580,815 | 4.2 |
| 1997 | 1,543,105 | 67,436 | 1,610,541 | 4.2 |
| 1998 | 1,569,498 | 71,481 | 1,640,979 | 4.4 |
| 1999 | 1,590,838 | 59,464 | 1,650,302 | 3.6 |
| 2000 | 1,609,522 | 51,523 | 1,661,045 | 3.1 |
| 2001 | 1,614,627 | 61,627 | 1,676,254 | 3.7 |
| 2002 | 1,602,118 | 81,068 | 1,683,186 | 4.8 |
| 2003 | 1,598,614* | 95,471* | 1,694,085* | 5.6* |
| 2004 | 1,609,361* | 84,040* | 1,693,401* | 5.0* |
| 2005 | 1,627,412* | 76,551* | 1,703,963* | 4.5* |
| 2006 | 1,647,748* | 71,100* | 1,718,848* | 4.1* |
| 2007 | 1,657,964* | 74,739* | 1,732,703* | 4.3* |

* Denotes revised figures

Source: Bureau of Labor Statistics, Local Area Unemployment Statistics, extracted at:
<http://www.bls.gov/lau/data.htm> on 9/10/08 at 4:10 pm

TABLE 5
PERSONAL INCOME BY MAJOR SOURCE FOR PONTOTOC COUNTY, 2001-2006

| | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 |
|---|---------|---------|---------|---------|---------|---------|
| <u>Income by place of residence (\$000)</u> | | | | | | |
| Personal income (\$000) | 748,963 | 747,049 | 788,251 | 854,297 | 903,748 | 983,232 |
| Population (persons) | 34,932 | 35,043 | 35,193 | 35,292 | 35,506 | 35,864 |
| Per capita personal income (dollars) | 21,441 | 21,318 | 22,398 | 24,207 | 25,453 | 27,416 |
| <u>Derivation of personal income (\$000)</u> | | | | | | |
| Earnings by place of work | 502,676 | 518,720 | 559,563 | 594,467 | 653,067 | 709,774 |
| Less: Contributions for government social insurance | 57,347 | 60,760 | 66,332 | 69,877 | 76,685 | 83,707 |
| Plus: Adjustment for residence | -25,158 | -28,342 | -32,827 | -33,689 | -37,299 | -40,856 |
| Equals: Net earnings by place of residence | 420,171 | 429,618 | 460,404 | 490,901 | 539,083 | 585,211 |
| Plus: Dividends, interest, and rent | 143,331 | 126,017 | 126,696 | 144,923 | 139,630 | 153,902 |
| Plus: Personal current transfer receipts | 185,461 | 191,414 | 201,151 | 218,473 | 225,035 | 244,119 |
| <u>Earnings by place of work (\$000)</u> | | | | | | |
| Wage and salary disbursements | 363,302 | 379,332 | 407,876 | 422,536 | 461,211 | 505,993 |
| Supplements to wages and salaries | 85,160 | 94,965 | 107,166 | 117,518 | 135,160 | 147,431 |
| Proprietors' income | 54,214 | 44,423 | 44,521 | 54,413 | 56,696 | 56,350 |
| Farm proprietors' income | 692 | 2,861 | 518 | 3,111 | 3,195 | -1,685 |
| Nonfarm proprietors' income | 53,522 | 41,562 | 44,003 | 51,302 | 53,501 | 58,035 |

Source: Regional Economic Information System 1969-2006, v4.0.4, Table CA05N

TABLE 6
SALES TAX COLLECTION BY TOWN AND CITY FOR PONTOTOC COUNTY FY 20000-2005

| | 2000 | 2001 | 2002 | 2003 | 2004 | 2005 | 2006 | 2007 |
|-------------------------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|
| Ada @ 4% | \$246,312,873 | \$261,392,997 | \$265,782,270 | \$269,982,672 | \$285,885,613 | \$281,886,245 | \$311,529,853 | \$327,041,889 |
| Allen @ 3% | \$3,797,891 | \$3,988,476 | \$3,695,116 | \$3,636,594 | \$4,133,210 | \$3,728,437 | \$4,814,482 | \$4,015,550 |
| Byng @ 2% | \$1,219,110 | \$1,208,484 | \$1,427,057 | \$1,287,366 | \$1,404,588 | \$1,504,031 | \$1,677,907 | \$1,988,651 |
| Francis @ 3% | \$456,040 | \$588,047 | \$582,894 | \$342,380 | \$399,382 | \$399,116 | \$449,440 | \$438,545 |
| Roff @ 3% | \$2,216,293 | \$4,057,241 | \$2,439,975 | \$2,124,952 | \$2,401,669 | \$2,741,953 | \$2,760,479 | \$3,249,265 |
| Stonewall @ 3% | \$2,655,663 | \$3,467,218 | \$2,816,191 | \$2,586,045 | \$3,133,795 | \$2,488,559 | \$2,495,645 | \$2,574,159 |
| Pontotoc County @ 0.6875%* | -- | -- | -- | -- | -- | -- | -- | \$492,376 |

* Pontotoc County began collecting sales tax in May 2007.

Some Basic Concepts of Community Economics

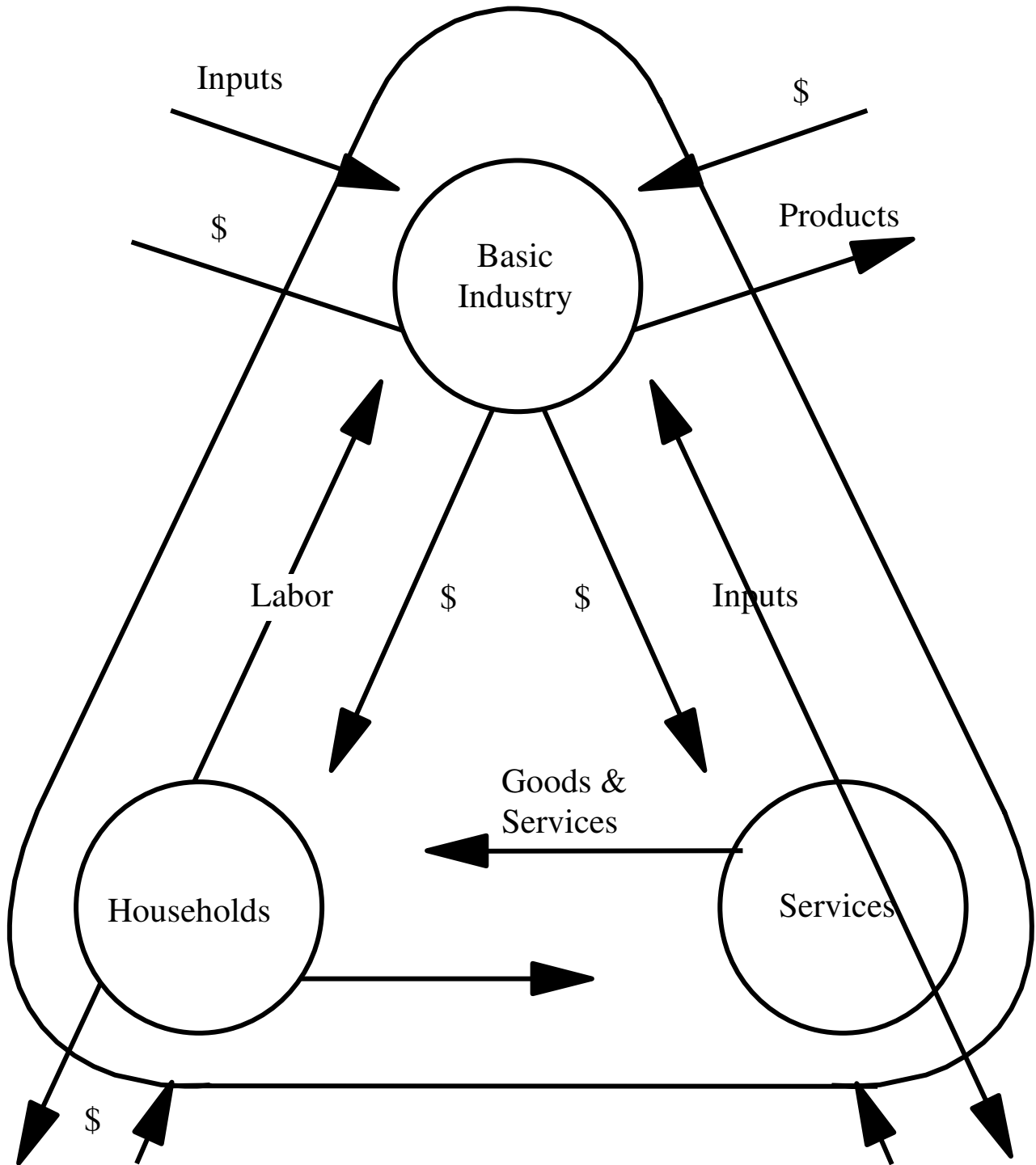
Industries or businesses that produce goods primarily for sale outside the economy are called basic industries. They are important components of all economic systems. Two other major components of economic systems are service firms and households. Figure 1 illustrates the major flows of these two sectors within any economy.

Basic industries purchase labor from households and reimburse them with dollars. Other inputs used by basic industries are purchased from local service firms. Local service firms also provide goods and services to households (consumers). Naturally, each of these three sectors of an economy purchase goods and services from outside the economy. Local transactions determine the relationships that exist among the various firms in an economy.

Basic industries generate employment in order to provide a product for Oklahomans and others. Employees purchase goods and services from retail and service businesses. As earnings occur in these businesses, they hire additional employees and buy more inputs from other businesses. Visitors to an economy boost the dollars that are circulating in the retail and service sectors, which can lead to the hiring of even more employees and the purchase of even more inputs from other businesses.

The total impact of any industry on an economy consists of direct, indirect, and induced impacts. Direct impacts are the immediate or "direct" effects of the impacting industry; for example, the jobs created to fill certain positions within the firm. Indirect impacts are the "second-round" effects that occur in the business sector as a result of the input purchases made by the impacting industry. Induced effects are the changes brought about by the increased consumer spending due to the initial direct and the following indirect effects.

Figure 1
Overview of Community Economic System



The above discussion indicates how basic industries serve as the foundation of an economy and how households and service firms are necessary to make the economy function. Service industries account for a substantial part of the outputs of most economies. But, as Figure 1 shows, much of the service industries' output supports the local basic industries and households. Mathematical techniques can be used to measure the relationships between basic industries, households, and services.

A measure used in economics to describe the effects of an increase or decrease in economic activity is called a multiplier. A Type III multiplier is used for this study. A Type III multiplier is defined as "the ratio between direct employment (income) and the direct, indirect, and induced employment (income)." A Type III income multiplier of 1.5 indicates that if one dollar is generated by the direct activity, then 0.50 additional dollars are generated due to business (indirect) and household (induced) spending. IMPLAN is a computerized database and economic model used in economic impact analysis. IMPLAN is used in this study to generate appropriate multipliers for analysis. For further details regarding this methodology see the references listed at the end of this report.

Direct, Indirect and Induced, and Total Impacts of Visitors on Pontotoc County

The economic activity generated by the visitors to Pontotoc County is described in this section. In 2007, 46 activities or events took place at the Pontotoc County Agri-Plex; 33 events have been held at the Agri-Plex between January 1 and September 6, 2008. A sample of some of the larger events is shown in Table 7. Total annual attendance for all events was estimated at 55,175 for 2007, and approximately 3,303 of those visitors were from outside of the county. For 2008 through the first week of September, 40,338 visitors had been to the facility, of which 2,854 are estimated to have been from outside of the county. This information is summarized in Table 8.

Estimated expenditures by these visitors are summarized in Table 9. As a proxy for hotel room rates, the Oklahoma state employee rate for lodging, currently \$70 per night, was used. It was assumed that all out of county people spent the night(s) in Pontotoc County, and they traveled in groups of three. (Many events were multi-day events requiring out of county visitors to spend more than one night in a hotel.) Thus, 2,561 motel rooms were estimated to be purchased in the county during 2007, and 2,177 rooms were estimated to be purchased in 2008. Since time did not allow for a survey of event attenders, we assume that visitors spent an average of \$39 per day on food, gasoline, merchandise, etc. (The amount of \$39 is the state's per diem travel reimbursement rate.) Total spending by both out of county visitors to Pontotoc County is estimated to be \$479,414 for 2007, and \$407,281 through September 6, 2008. (The analysis only considers out of county visitors' expenditures, because expenditures by locals at the Agri-plex are typically substituting for expenditures that would have occurred elsewhere in the county. Therefore, there is no net impact on the county economy by counting locals' expenditures at the Agri-plex.)

The direct and secondary (indirect and induced) impacts of visitor expenditures are summarized in Table 10. These impacts result annually at the county level. Most impacts will occur in the city where the spending took place, but there will be some effect throughout the whole county. Again, actual or direct spending by visitors is estimated to be \$479,414 and \$407,281 for 2007 and part of 2008, respectively. Additional income in the amount of \$129,024 in 2007, and \$109,610 in 2008, will be generated in the county through indirect and induced effects. The total effect of visitor spending is estimated to be \$608,438 in 2007 and \$516,891 in 2008.

The level of taxable sales in Pontotoc County associated with the visitor's expenditures in 2007 is estimated at \$535,803 with county sales tax revenues of \$614 (at a rate of 0.6875% for two months). For 2008, visitors' expenditures amounted to \$455,185, and county sales tax revenues were approximately \$3,129. In addition, Pontotoc County levied a lodging tax, which yielded additional revenues of \$8,964 in 2007 and \$7,620 in 2008 due to Agri-Plex events. The City of Ada collected \$15,345 in 2007 and \$13,036 in 2008 as a result of the visitors' spending. This information is summarized in Table 11.

TABLE 7
EXAMPLES OF LARGE EVENTS AT THE PONTOTOC COUNTY AGRI-PLEX, 2008

| | Total Attendance | Local Attendance | Out of County Attendance | Total Hotel Rooms in Pontotoc Co. |
|---------------------------------|-------------------------|-------------------------|---------------------------------|--|
| Pontotoc County Fair | 7,500 | 7,500 | 0 | 0 |
| Bull Fights | 5,000 | 4,940 | 60 | 20 |
| Tuleys Team Roping | 4,200 | 3,700 | 500 | 167 |
| Fear Not Team Roping (August) | 3,400 | 3,100 | 300 | 100 |
| Fear Not Team Roping (February) | 3,200 | 2,900 | 300 | 100 |
| Brother-In-Law Team Roping | 2,900 | 2,600 | 300 | 200 |
| Jordan World Circus | 2,500 | 2,500 | 0 | 0 |
| Dodge Truck Roping | 2,200 | 1,900 | 300 | 100 |
| Team Roping | 2,000 | 1,975 | 25 | 25 |
| Childrens Fair | 1,000 | 1,000 | 0 | 0 |

Source: Pontotoc County Agri-Plex management

TABLE 8
ANNUAL VISITOR TOTALS TO THE PONTOTOC COUNTY AGRI-PLEX, 2007 and 2008

| | Events | Yearly Attendance | Yearly Attendance, Local | Yearly Attendance, Out of County |
|-------------------|---------------|--------------------------|---------------------------------|---|
| 2007 | 46 | 55,175 | 51,872 | 3,303* |
| 2008 [†] | 33 | 40,338 | 37,484 | 2,854 |

Source: Pontotoc County Agri-Plex management

* Note for future reference that some of these guests will stay in Pontotoc County for multiple days and nights.

[†] Through the Pontotoc County Fair, September 2-6, 2008.

**TABLE 9
SUMMARY OF ESTIMATED VISITOR EXPENDITURES**

| | Number | Average Length of Stay (days) | Spending per Night⁽¹⁾ | Spending per Day⁽¹⁾ | Total Spending |
|----------------------------|---------------|--------------------------------------|---|---------------------------------------|-----------------------|
| 2007 | | | | | |
| Daytime Guests | 3,303 | 2.33 | \$0 | \$39 | \$300,144 |
| Hotel Rooms ⁽²⁾ | 2,561 | | \$70 | \$0 | \$179,270 |
| TOTAL | | | | | \$479,414 |
| 2008 | | | | | |
| Daytime Guests | 2,854 | 2.29 | \$0 | \$39 | \$254,891 |
| Hotel Rooms ⁽²⁾ | 2,177 | | \$70 | \$0 | \$152,390 |
| TOTAL | | | | | \$407,281 |

⁽¹⁾ Based on the state per diem rate and the state allowed lodging rates.

⁽²⁾ Estimated number of hotel rooms used due to Agri-Plex events. It is estimated that all out of county visitors will spend the night; it is also assumed that visitors shared hotel rooms with 3 persons per room. This number also reflects the length of each event held at the Agri-Plex, which varied in length from 1 night to 5 nights.

**TABLE 10
DIRECT, INDIRECT, AND TOTAL IMPACTS OF VISITORS TO PONTOTOC COUNTY**

| | Direct | Indirect & Induced* | Total |
|-----------------------------|------------------|--------------------------------|------------------|
| 2007 | | | |
| Daytime Retail Expenditures | \$300,144 | \$81,639 | \$381,783 |
| Lodging Expenditures | \$179,270 | \$47,386 | \$226,656 |
| TOTAL | \$479,414 | \$129,024 | \$608,438 |
| 2008 | | | |
| Daytime Retail Expenditures | \$254,891 | \$69,330 | \$324,221 |
| Lodging Expenditures | \$152,390 | \$40,281 | \$192,671 |
| TOTAL | \$407,281 | \$109,610 | \$516,891 |

* Computed using employment compensation expenditure ratios and multipliers generated by IMPLAN.

TABLE 11
LOCAL TAX REVENUE GENERATED BY VISITORS TO PONTOTOC COUNTY

| | Direct | Indirect & Induced | Total |
|--|---------------|---------------------------------------|--------------|
| 2007 | | | |
| County Sales Generated Subject to Sales Tax ⁽¹⁾ | \$479,414 | \$56,389 | \$535,803 |
| County Sales Tax Collection ⁽²⁾ | \$549 | \$65 | \$614 |
| | | | |
| City of Ada Retail Sales ⁽³⁾ | \$364,871 | \$18,756 | \$383,626 |
| City of Ada Sales Tax Collections ⁽⁴⁾ | \$14,595 | \$750 | \$15,345 |
| | | | |
| Lodging Revenue Generated | \$179,270 | | |
| County Lodging Tax Collection ⁽⁵⁾ | \$8,964 | | |
| 2008 | | | |
| County Retail Sales Generated ⁽¹⁾ | \$407,281 | \$47,904 | \$455,185 |
| County Sales Tax Collection ⁽²⁾ | \$2,800 | \$329 | \$3,129 |
| | | | |
| City of Ada Retail Sales ⁽³⁾ | \$309,972 | \$15,934 | \$325,906 |
| City of Ada Sales Tax Collections ⁽⁴⁾ | \$12,399 | \$637 | \$13,036 |
| | | | |
| Lodging Revenue Generated | \$152,390 | | |
| County Lodging Tax Collection ⁽⁵⁾ | \$7,620 | | |

⁽¹⁾ Based on County Taxable Sales to Personal Income Ratio of 43.7%

⁽²⁾ Based on County Sales Tax rate of 0.6875%

⁽³⁾ Based on assumption that 76.1% of Pontotoc County's taxable sales occur in the City of Ada.

⁽⁴⁾ Based on city sales tax rate of 4%.

⁽⁵⁾ Based on a lodging tax rate of 5%.

SUMMARY

The economic impacts of visitors to the Pontotoc County Agri-Plex have been estimated in this report. Income impacts were presented as well as estimated taxable sales. Total economic impact of the visitors to Pontotoc County was more than \$600,000 in 2007, and \$515,000 through September, 2008. These expenditures result in sales tax collections for the county in the amount of \$3,129 in 2008, and for the city of Ada in the amount of \$13,036. Other benefits and/or costs may exist which were not included in this study. It should also be noted that the estimates are based on estimates of visitor counts and overnight stays provided by the Pontotoc County Agri-Plex management. For further information about this report contact the authors.

REFERENCES

- Allen, C.W., Woods, M.D., and Doeksen, G.A., A Methodology for Assessing the Impacts of Business Activity, Stillwater: Oklahoma State University, Agricultural Experiment Station, B-793, November 1990.
- Minnesota IMPLAN Group, Inc., IMPLAN System (data and software), 1725 Tower Drive West, Suite 140, Stillwater, MN 55082 www.implan.com
- Olson, Doug and Scott Lindall, "IMPLAN Professional Software, Analysis, and Data Guide"; Minnesota IMPLAN Group, Inc., 1725 Tower Drive West, Suite 140, Stillwater, MN 55082, www.implan.com
- Willoughby, C.W., et. al., The Economic Impact of a Proposed Correction Facility on the Economy of Jackson County, Oklahoma. Stillwater. Oklahoma State University, Agricultural Economics, AE-9771, November 1997.