



RED ROCK AREA

2019 Annual Business Report

Navigating Our Future



Innovate

Cultivate

Integrate

Collaborate

Introduction



Red Rock Area businesses compete across the globe for talent and customers. Understanding where we are today and what trends will be

shaping our future, position the area and our businesses to compete in this ever changing world.

What changes are we seeing? In today's world, there are changing expectations on time. Customers demand quick responses, while demands on individual's time is now 24/7. While talent in any sector is in short demand, the rush to upskill and recruit talent is top of the list for most growing communities. Likewise, technology continues to advance at a rapid rate making some jobs obsolete, while creating other new jobs requiring skills not yet developed.

How well companies, communities and organizations are able to navigate these changing waters will depend on a common vision, with everyone rowing in the same direction for success. Innovative collaborations and planning between public and private sectors, as well as between communities, will position the area for growth.

The Red Rock Area will have challenges at every step, but staying on course for growth takes innovation, risk-taking and cooperation.

Annually, Marion County Development benchmarks data and analyzes trends to aid in business and community decision making. The information in this report can assist entities in strategic planning, community development, grants and market development.



Together, we can accomplish great things.

FIVE KEY FINDINGS...

#1

Collaboration to enhance & grow workforce is critical to business growth and retention.

#2

Access to both global & local markets through infrastructure is vital to encourage business growth.

#3

Community attractiveness & vibrancy is a key factor in business and population attraction.

#4

Continued investments in housing, childcare, infrastructure, technology & industrial sites are needed for community growth.

#5

Places & businesses willing to collaborate on a shared vision will be best positioned for adjusting to a changing environment.

Setting the Stage

POPULATION
ESTIMATE
33,407

HOUSEHOLDS
13,314

MEDIAN
AGE
39.2

UNEMPLOYMENT
RATE
2.0%

MEDIAN HH
INCOME
\$63,491

SOURCE: 2018 US Census estimates, IBRC

About the Red Rock Area....

Knoxville: Top 10 Most Affordable Places to Live in Iowa

by HomeSnacks.net

Pella: #3 Best Place to Live in US

by USA Today, 24/7 Wall St.

**Pella: Top 30 Most Beautiful Main Streets
Across America**

by Architectural Digest

**Red Rock Area: Top 2% of US Counties
for Percentage of Jobs in Manufacturing**

Source: US Census

**Red Rock Area: Top 15% of US Counties
for Lowest Poverty Rate**

Source: US Census

**Red Rock Area: Top 20% of US Counties
for Median Household Income**

Source: US Census

Trends by Sector

AGRICULTURE

Global Trade Issues
Low Commodity Prices
Aging Farmers

TOURISM

Online Competition
Customization
Changing Family Structure

MANUFACTURING

New Job Growth
Global Trade Issues
Technology & Innovation



RETAIL

Online Purchasing
More than Brick & Mortar
Differentiation

HEALTH CARE

Mergers & Competition
Politics
Regulations & Technology

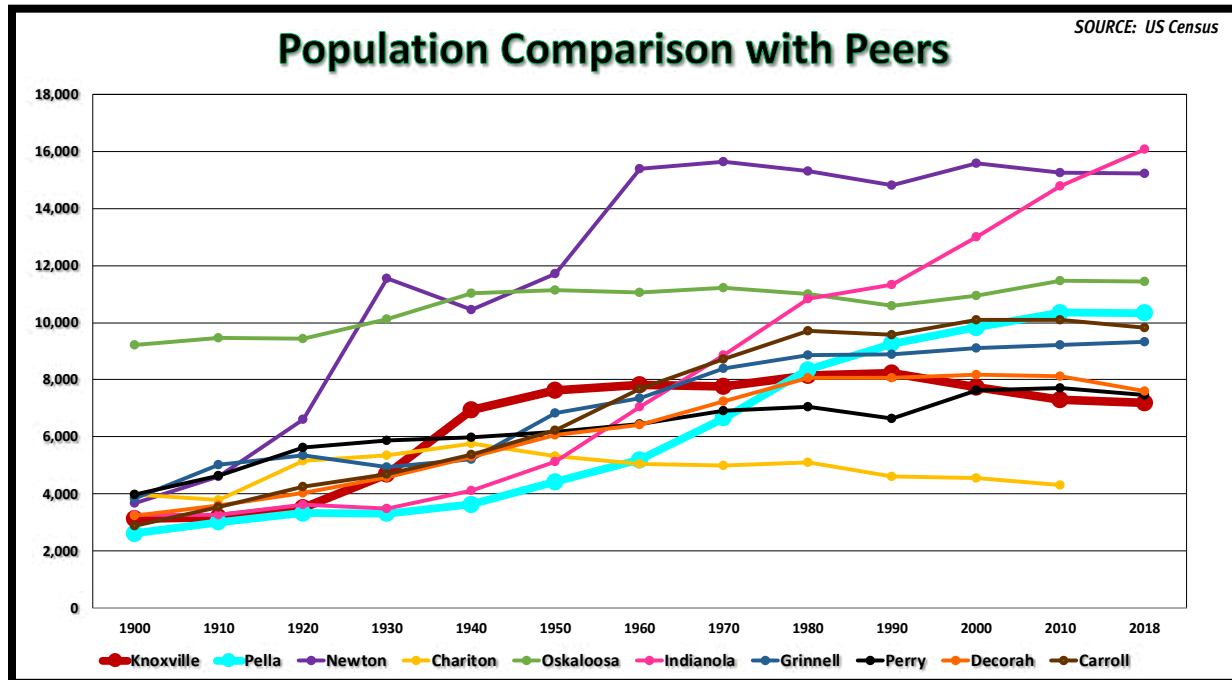
Setting the Stage

POPULATION: Marion County's population grew by 11.1% from 1990 to 2010. Estimates show that Marion County has grown by only 0.3% since 2010.

Marion County's population growth rate has remained behind the US average over the past three decades.

In most of the communities within the Red Rock Area population has remained stable or declined. Since 1990, Pleasantville, Pella and rural unincorporated Marion County are the only areas to see population increase of any significance.

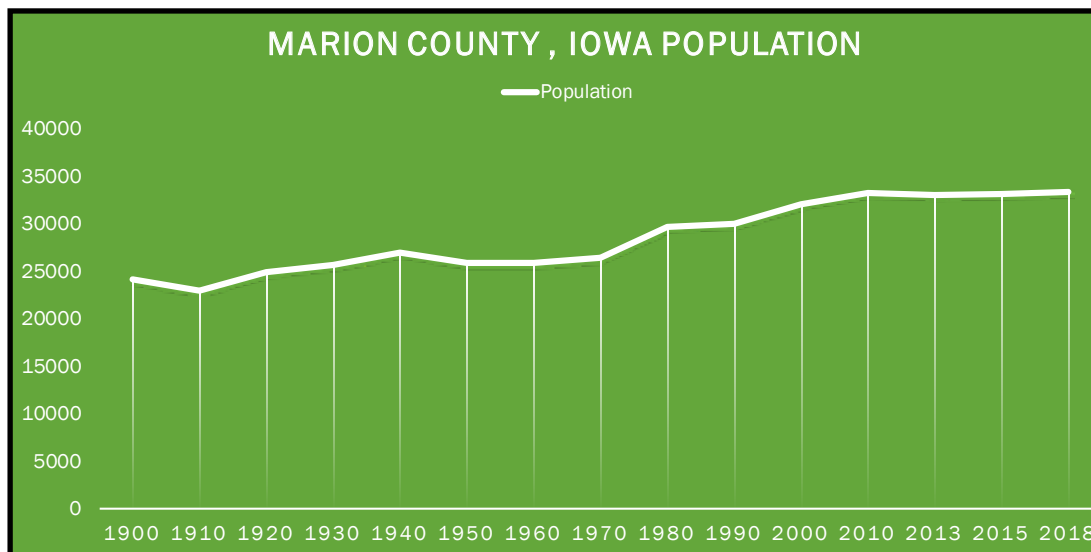
You can see in the chart a comparison population growth of peer communities with Pella and Knoxville.



DID YOU KNOW...

In 2018, the Red Rock Area had 375 births and 344 deaths for a natural increase of 31 individuals.

In 2018, Net Domestic Migration to the Red Rock Area was 264 while Net International Migration was 9.



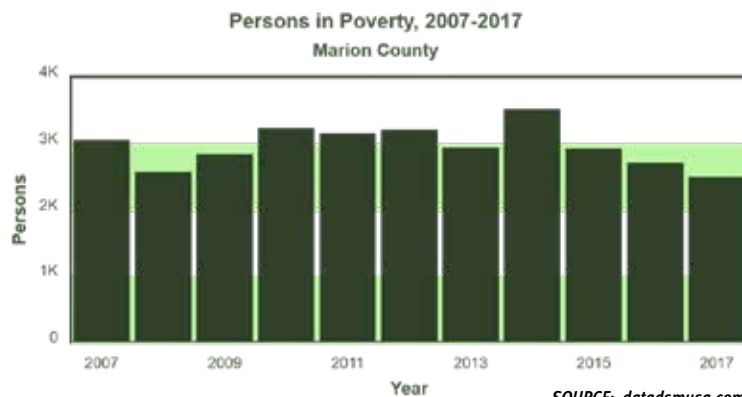
United States Population
Growth Rate 2018

0.5%

*Lower than during the Great
Depression in the 1930's*

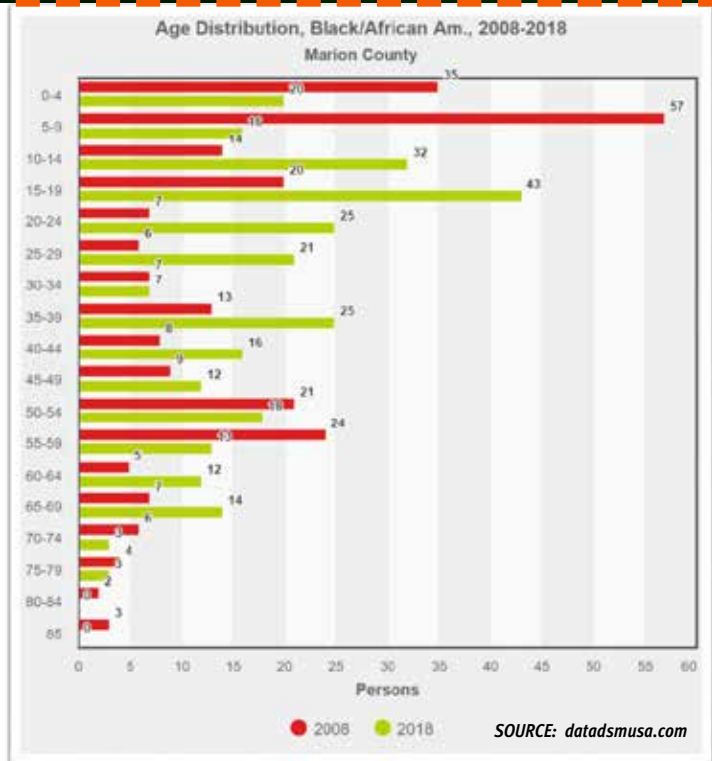
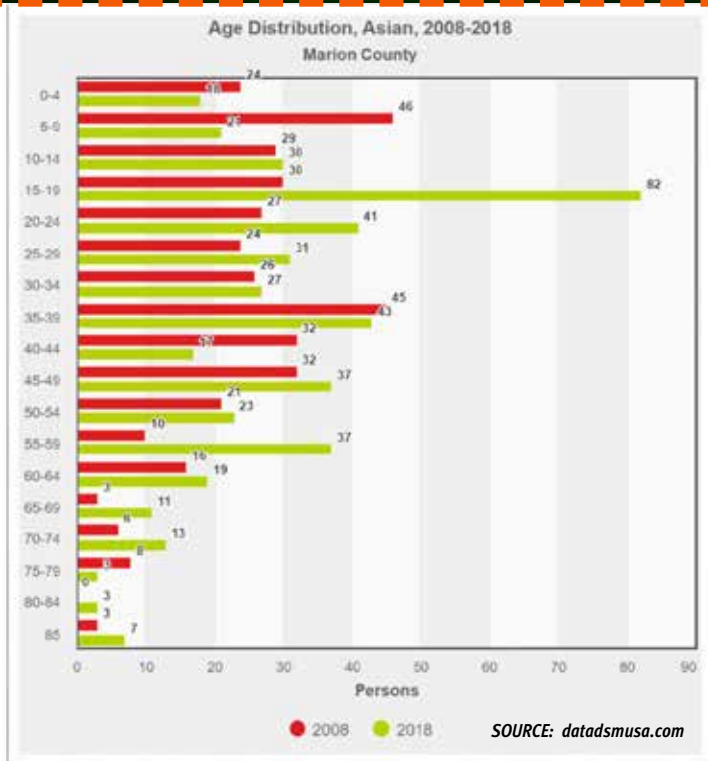


Persons in poverty has declined since 2014. The chart below shows the trend in poverty rates for all persons in Marion County over the past decade. The 2018 poverty rate for Marion County was 9.2% while the poverty rate in Marion County for children under age 18 was 9.8%.



SOURCE: datadmsusa.com

Setting the Stage



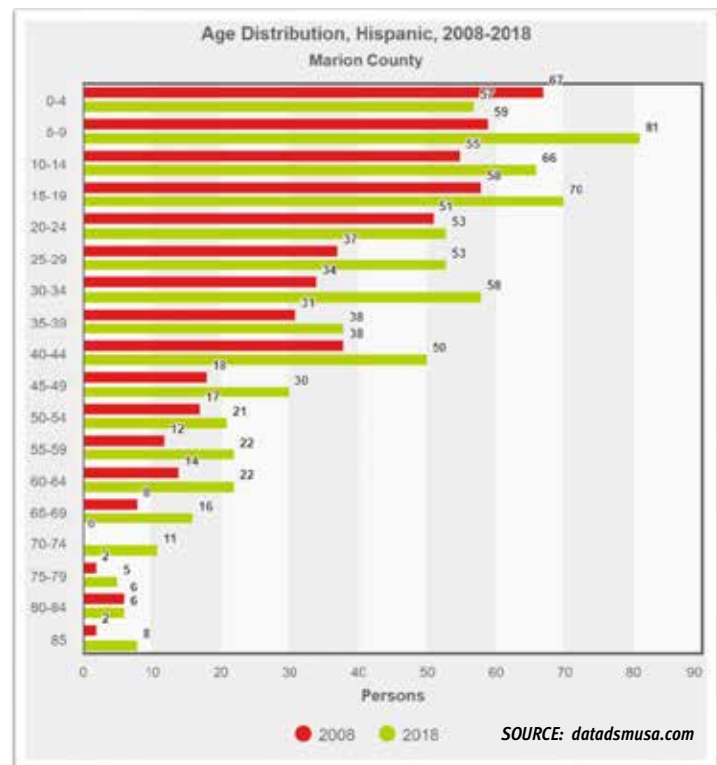
DIVERSITY: With 94.39% of the population in the Red Rock Area white, you might think there is nothing of significance happening. In a deeper dive, when looking at comparisons for population by race changes from 2008 to 2018, you will find some interesting trends.

The only age segment growing in the white/caucasian segment is people over age 55. While in the Asian, Hispanic and Black/African American segments, you see growth in school age children. Although adults within those segments have increased, they are not increasing as significantly as school age children.

This means that some combination of adoptions by white parents house-

holds, with large numbers of children or single parent households, with multiple children, might be the reason for this imbalance in growth rates.

The Red Rock Area's population breaks down by age very similar to Iowa. There is 6% of the population age 4 and under, 18% of the population age 5 to 17, 11% of the population age 18 to 24, 22% of the population age 25 to 44, 26% of the population age 45-64 and 17% of the population age 65 and over.



DID YOU KNOW...

The Health Care & Social Services sector has a \$120 million impact on the Red Rock Area.

In 2018, Travelers spent \$55.4 million in the Red Rock Area.

84% of adults in the Red Rock Area are non-smokers

93% of adults in the Red Rock Area have some form of health insurance.

Setting the Stage

Total School Enrollment

■ 09-10 ■ 12-13 ■ 15-16 ■ 18-19

SOURCE: Iowa Dept. of Education



FUTURE READY

IOWA: The goal of the statewide Future Ready Iowa initiative is to have 70% of the population age 25-64 with some type of Postsecondary Educational Attainment. This initiative uses data from the statewide laborshed which is different from the data included in the American Communities Survey done by the US Census. The Laborshed Study, which includes most of Marion County, will not be released until the late spring 2020.

HIGHEST EDUCATION LEVEL-AGES 25-64

Blue=Highest
Yellow=Lowest

EDUCATIONAL ATTAINMENT	BUSSEY	HAMILTON	HARVEY	KNOXVILLE	MARYSVILLE	MELCHER-DALLAS	Pella	Pleasantville	Swan	MARION COUNTY	IOWA
Less than High School	8.0%	15.7%	17.8%	8.1%	6.7%	5.8%	8.2%	7.7%	0.0%	6.8%	12.6%
High School Diploma or Equivalent	46.5%	52.9%	50.8%	40.6%	60.0%	44.3%	30.1%	37.4%	45.2%	35.9%	27.3%
Some Education Beyond High School, No Degree	27.1%	27.5%	21.2%	27.2%	26.7%	23.8%	15.6%	22.5%	40.5%	20.0%	20.8%
Associate, Trade or Vocational Training	6.8%	3.9%	6.8%	8.3%	6.7%	12.3%	8.9%	13.0%	2.4%	11.3%	8.3%
Bachelor Degree	7.9%	0.0%	3.4%	10.1%	0.0%	11.0%	24.6%	15.9%	11.9%	18.1%	19.1%
Post-Graduate Degree	3.8%	0.0%	0.0%	5.6%	0.0%	2.8%	12.6%	3.5%	0.0%	7.9%	11.8%
TOTAL COMPLETERS BEYOND HIGH SCHOOL	18.5%	3.9%	10.2%	24.0%	6.7%	26.1%	46.1%	32.4%	14.3%	37.3%	39.2%

Source: American Community Survey, US Census

EDUCATION: In 2018, there were four Iowa high schools with registered apprenticeship programs. The Career Academy of Pella was one of these programs. During the 2017-2018 school year in Iowa, 34.2% of high school students earned dual high school and college credit.

There is a correlation between educational achieve-

ment and median annual personal income. Statewide, the gap between median annual personal income for those with a bachelor's degree compared to a high school graduate is \$20,000.

In the Iowa workforce needs assessment survey done in 2018, employers indicated the basic skill lacking from applicants is written communications (24.8%), while

critical thinking (33.1%) was the top lacking hard skill and motivation (49.3%) the top lacking soft skill.

CHILDCARE: Children age 1 to 9, total 4,239 within Marion County. From 2000 to 2017, the Knoxville market area experienced a loss of 154 kids age 0 to 9 and the balance of the county, outside the Pella and Knoxville

market areas, experienced a decrease of 107 kids. Within the Pella market area, kids age 0 to 9, over the same period, saw an increase of 218 kids.

Within Marion County, 76% of children age 0 to 5 have all parents working. Parents indicated in the recent childcare study, conducted by First Children's Finance, that they preferred Licensed

Centers or a parent staying at home for child care. In Marion County there are 28 fewer regulated providers and 69 fewer regulated spaces from 2013 to 2017.

On average, parents within Marion County pay \$100 to \$200 per week for infant care, and \$50 to \$150 per week for children age 3 to 5 years old.

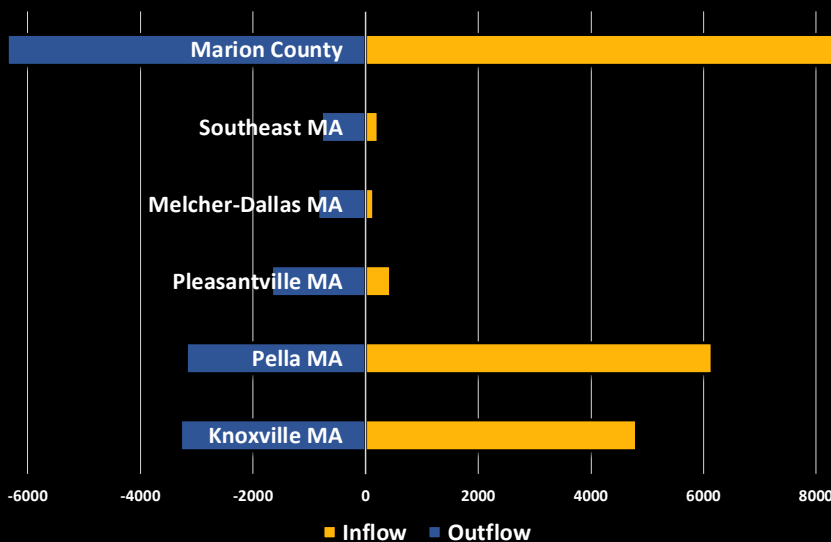
Setting the Stage



Source: **2018** American Community Survey-US Census

	BUSSEY	HAMILTON	HARVEY	KNOXVILLE	MARYSVILLE	MELCHER-DALLAS	PELLA	PLEASANTVILLE	SWAN	MARION COUNTY	IOWA
Population Estimate	491	86	172	7,200	113	1,255	10,273	1,715	68	33,407	3,148,618
Households	223	30	66	3,248	35	559	3,958	754	30	13,314	1,749,276
Total Housing Units	249	53	88	3,586	40	619	4,118	816	30	14,110	
Labor Force (persons working in the area)	238	31	75	3,433	46	527	5,879	859	39	17,849	1,763,275
Unemployment Rate	7.6%	6.5%	4.0%	4.7%	0.0%	2.1%	3.0%	2.2%	7.7%	2.0%	2.7%
Median HH Income	\$33,750	\$42,500	\$45,833	\$45,678	\$43,625	\$38,438	\$64,770	\$50,000	\$30,000	\$63,491	\$59,955
Poverty Rate	25.7%	39.5%	27.8%	17.7%	17.8%	18.3%	7.6%	17.7%	50.0%	9.2%	12%
Mean Travel Time to Work (minutes)	25.1	32.1	23.6	19.8	18.2	29.7	11.2	27.7	31.7		19.1
Median Age	38.5	30.4	41.1	40.8	28.1	41.4	35.7	37.2	47.3	39.2	38.1
Single Parent HH	5.4%	36.7%	6.1%	10.8%	14.3%	11.4%	3.8%	9.8%	16.7%	7.0%	8.4%
Living Alone HH	34.1%	33.3%	33.3%	35.8%	2.9%	32.7%	30.2%	36.9%	36.7%	28.5%	29.2%
Preschool Age Population	33	6	18	421	5	127	520	131	4	6.0%	6.3%
School Age Population	83	27	25	1,273	38	193	1,377	307	15	18.0%	17.0%
Over 65 Population	107	5	40	1,446	12	265	1,887	292	4	17.3%	16.4%

Marion County Employment Inflow/Outflow



SOURCE: Marion County Housing Study

COMMUTING: Marion County has a positive worker flow, with more people coming into the county for employment than those leaving the county for employment in other counties.

It is estimated that 11,919 people work in Pella during daytime hours and 4,271 people work in Knoxville during daytime hours. When you combine these figures with residents who are in the community during the day who do not work, such as the elderly or parents not in the workforce, the populations of the communities increase to 16,255 in Pella and 7,943 in Knoxville.

DID YOU KNOW...

Average salaries in Marion County grew at a rate of 32% from 2008 to 2018 in comparison to 25.7% nationally.

74.91% of Marion County firms employ less than 10 people.

In 2018, there were 17,637 jobs in Marion County according to Iowa Workforce Development.

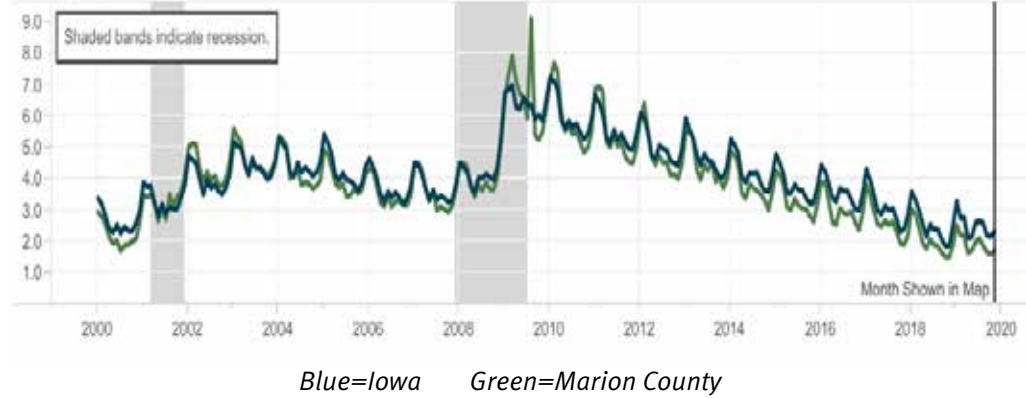
Setting the Stage

UNEMPLOYMENT: Most areas across the US have experienced low unemployment rates. As of December 2019, Utah, Vermont and South Carolina are tied for the lowest statewide unemployment rate at 2.3%. Iowa ranks 9th with an unemployment rate of 2.7%.

To the right, you can see how the unemployment rate in Iowa (blue) and Marion County (green) have significantly declined over the past decade. Most of the time, during the last 12 months, the unemployment rate in Marion County has remained below 2%.

Unemployment Rate (%) for Marion Count(ies)

SOURCE: datadsmusa.com



WAGES: Within all sectors in Marion County, wages have grown from an average of \$40,598 to an average of \$49,256 in 2018. The sectors seeing the highest growth rates in wages include manufacturing, health & social services, construction and professional, technical & scientific.

The average salary within the manufacturing sector in Marion County is \$67,166 in 2018 compared to \$68,528 in the US. Most of the other sectors remain significantly behind US average salary rates, despite Iowa wages outpacing US wages in growth percentage. Below you can see the number of establishments by sector,

number of jobs and average annual wage per job.

JOB GROWTH: Net new jobs in Marion County have increased by over 5% in the past 5 years. Within the manufacturing sector, net new jobs have increased by over 15% in the past five years, adding nearly 1,000 new jobs. Other sectors

seeing job growth include professional, technical and scientific establishments.

Marion County ranks 54th out of 3,141 counties in the US for percentage of jobs in manufacturing.

The agriculture sector in Iowa and Marion County has seen a decline in farm

proprietor's income since 2013. Declining commodity prices and trade uncertainties have been cited as the cause of declining income within this sector.



Sector	Establishments	Jobs	Annual Average Wage per Job
Construction	103	627	\$54,425
Manufacturing	47	7,109	\$67,166
Wholesale Trade	76	379	\$65,605
Retail Trade	115	1,527	\$26,186
Transportation, warehousing	36	270	\$44,723
Utilities	6	39	\$87,807
Information	18	113	\$42,747
Finance & Insurance	58	339	\$68,006
Real Estate, leasing	38	73	\$23,342
Professional services	93	431	\$52,334
Mgmt of companies	7	31	\$65,699
Admin., Waste services	43	295	\$30,901
Education	35	1,736	\$36,968
Health care	94	2,168	\$42,948
Arts, entertainment, rec.	18	234	\$11,030
Accommodation & Food Service	73	1,148	\$11,538
Other services	93	326	\$31,670
Public Admin	25	560	\$37,703

For a detailed wage report by occupational codes for our area, contact carla@redrockarea.com.

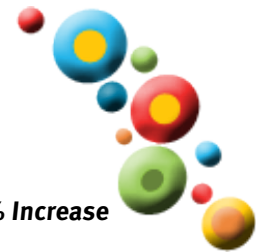
Fastest Growing Industries by % Job Increase

SECTORS	2013	2018	# Change	% Change
Manufacturing	6,174	7,109	935	15%
Health Care & Social Services	2,207	2,168	(-39)	-2%
Education	1,714	1,736	22	1%
Retail Trade	1,511	1,527	16	1%
Accommodation & Food Service	1,051	1,148	97	9%
Construction	562	627	65	12%
Public Administration	516	560	44	9%
Wholesale Trade	397	379	(-18)	-5%
Other Services	356	326	(-30)	-8%
Finance & Insurance	314	339	25	8%
Admin., waste services	305	295	(-10)	-3%
Arts, entertainment, recreation	258	234	(-24)	-9%
Transportation, warehousing	248	270	22	9%
Information	124	113	(-11)	-9%
Real Estate, leasing	66	73	7	11%
Utilities	38	39	1	3%
Professional Services	23	431	408	1,774%
Management of Companies	na	31	na	na

Top Marion County Jobs by Volume, 2020

OCCUPATION	2020
Misc. Assemblers & Fabricators	1,295
Fast Food & Counter Workers	613
Misc. Production Workers	582
Laborers & Material Movers, Hand	461
Cashiers	436
Driver/Sales Workers & Truck Drivers	433
Secretaries & Administrative Assistants	432
Registered Nurses	421
Office Clerks, General	416
Building Cleaning Workers	403
Woodworking Machine Setters, Operators & Tenders	400
Welding, Soldering & Brazing Workers	377

Annual Average
Wage per Job
within the
Manufacturing Sector
Increased by
\$12,000 or 22% Increase
from 2013 to 2018



Setting the Stage

Fastest Growing Marion County Occupations by Volume Increase, 2015-2020

OCCUPATION	# CHANGE
Misc. Assemblers & Fabricators	265
Welding, Soldering and Brazing Workers	62
Industrial Machinery Installation, Repair & Maintenance Workers	59
First-Line Supervisors of Production and Operating Workers	54
Personal Care Aides	53
Woodworking Machine Setters, Operators and Tenders	45
Laborers and Material Movers, Hand	44
Engineering Technicians, Except Drafters	37
Customer Service Representatives	31
Multiple Machine Tool Setters, Operators and Tenders, Metal	28
Industrial Engineering including Health and Safety	27
Machinists	26
Stock Clerks & Order Filers	25
Sales Representatives, Mfg & Wholesale	24
Maintenance & Repair Workers, General	24

Fastest Growing Marion County Occupations by % Increase, 2015-2020

OCCUPATION	# CHANGE	% CHANGE
Logisticians	12	93%
Power Plant Operators, distributors, or dispatchers	9	85%
Mechanical Engineers	23	60%
Drywall Installers, Ceiling Tile Installers and Tapers	6	56%
Engineering Technicians, Except Drafters	37	52%
Personal Care Aides	53	51%
Painters and Paperhangers	17	51%
Misc. Computer Occupations	5	50%
Heating, Air Conditioning and Refrigeration Mechanics	9	51%
Occupational Health, Safety Specialists & Technicians	6	47%
Electrical and Electronics Engineers	6	45%
Architectural and Engineering Managers	11	44%
Misc. Engineers	11	41%
First-Line Supervisors of Personal Service Workers	8	40%

Fastest Growing
Highest Paid
Occupations
in US

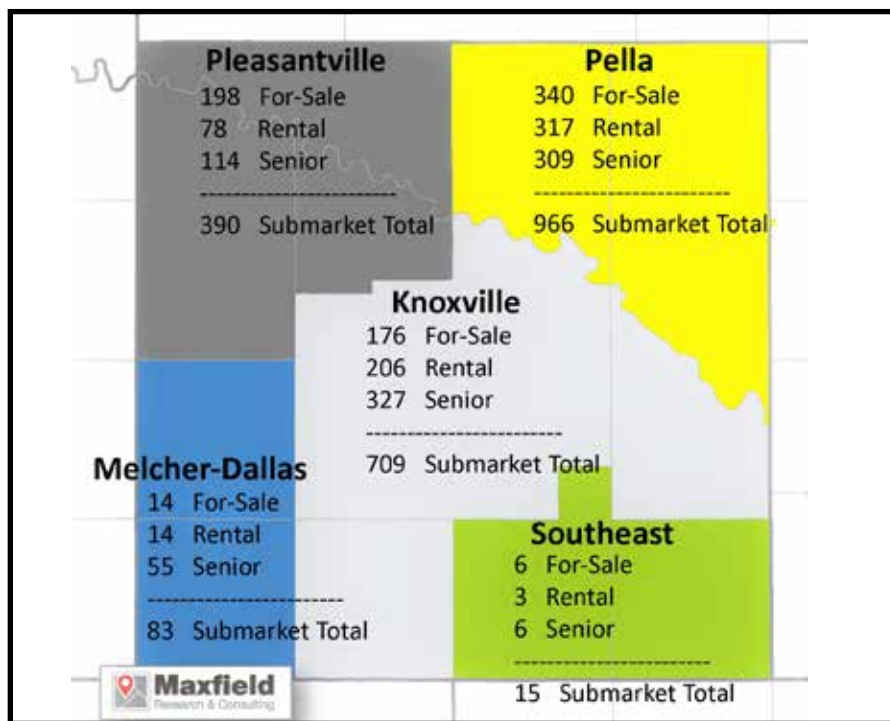
Software
Developer

Physical
Therapist

Physician
Assistant

according to
CareerBuilder

Housing Need by Type, 2025



HOUSING: Marion County commissioned a housing study, completed by Maxfield Research, to estimate the need for housing by 2025. In total, the study found that there is a need of 734 For-Sale housing units, 618 rental units and 811 senior housing units.

The county has seen an increase in the number of housing permits since the release of the study, with two large housing developments in the planning phases: Prairie Ridge (Pella) and VA District (Knoxville).

The study found, the new construction average home plus lot, assessed value to be \$190,246, within the Knoxville market area, \$195,970 within the Pleasantville market area and \$337,647 within the Pella market area.

TAXABLE LAND: Marion County has nearly 13% of acres in some type of non-taxed jurisdiction, because of government or institutional ownership. This equates to approximately 46,735 acres out of a total of 368,100 acres.

Consumer Spending	Average Annual Spending Knoxville	Average Annual Spending Pella
Apparel & Services	\$1,451	\$1,728
Education	\$1,038	\$1,251
Entertainment & Recreation	\$2,362	\$2,796
Food at Home	\$3,725	\$4,320
Food Away from Home	\$2,532	\$3,025
Health Care	\$4,610	\$5,318
Household Furnishings	\$1,497	\$1,821
Personal Care & Services	\$618	\$753
Shelter	\$12,386	\$14,961
Support Payments, Cash Contributions, In-Kind	\$1,774	\$2,175
Travel	\$1,489	\$1,884
Vehicle Maintenance & Repairs	\$836	\$1,011

Cost of Living Index

Community	Overall Cost of Living	Housing Cost of Living
United States	100	100
Iowa	83.7	61.6
Marion County	84.2	64.7
Knoxville	79.1	49.0
Pella	89.8	90.6
Pleasantville	86.8	62.6
Melcher-Dallas	75.4	29.1
Bussey	72.6	21.6
Oskaloosa	78.4	47.8
Newton	78.1	43.9
Grinnell	83.3	59.6
Chariton	76.5	37.2
Indianola	92.9	85.3
Carlisle	89.6	74.8
Monroe	84.5	64.5
Des Moines	81.2	60.9
West Des Moines	93.2	100.6
Waukee	100.7	106.8

GDP: Nearly two-thirds of Iowa's GDP is concentrated in ten counties. Marion County's GDP increased by 4.4% from 2017 to 2018. This compares to a statewide change of 2.2% and a change in Polk County of 1.5%. In 2018, Marion County's GDP ranked 21st among Iowa counties. Twenty-five out of 99 counties had a negative percent change from 2017 to 2018. Nationwide, 1,806 counties out of 2,508 counties with populations less than 100,000 increased Real GDP in 2018.



2019 Red Rock Area Existing Industry Survey

Nationally, 86% of all new jobs in rural areas are created by existing industry. During 2019, forty one employers within the Red Rock Area, participated in the statewide BEST of Iowa call program to existing industry.

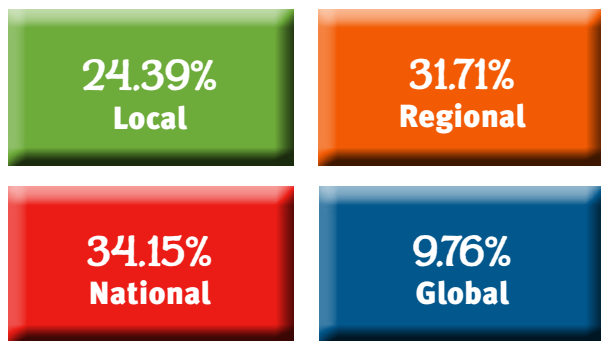
Statewide, over 1,200 different employers, within 1,416 different communities, participated in the program which is coordinated by the Iowa Economic Development Authority (IEDA) and utility companies. Of those employers visited across Iowa, 41.5% were located in non-metro counties. IEDA and it's utility partners use this data to drive decisions for economic development tools and programs statewide.

The data within this section of the report is pulled from the interviews of the 41 local companies and contrasted to results seen statewide. Of employers visited within the Red Rock Area, 53% were established between 1951 and 2000. Nine percent of employers were established since 2001, and the same percentage (9%) were established prior to 1990, leaving the balance of 29% established between 1900 and 1950.

When looking at employers by number of employees, employers breakdown as follows: 32% with 1 to 19 employees, 24% with 20-49 employees, 12% with 50-99 employees, 20% with 100-499 employees and 12% with more than 500 employees. This program is administered locally by the Marion County Development Commission (MCDC). In 2019, MCDC was honored as one of 4 top existing industry call programs in Iowa by the BEST of Iowa committee.



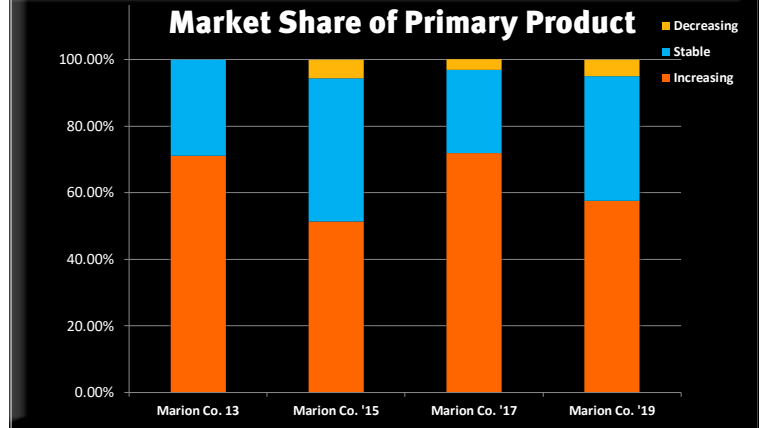
Primary Market



DID YOU KNOW...

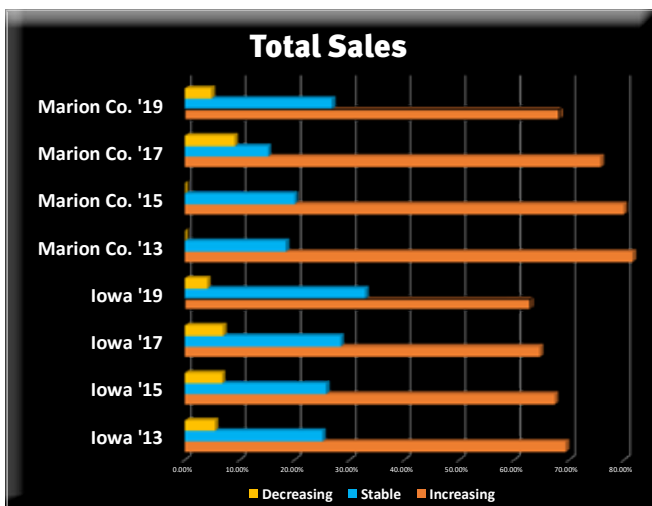
Sixty-one percent of companies in metros and 39% of companies in non-metros have primary products in the growth phase.

Market Share of Primary Product



When employers were asked about production within their industry, the majority of employers indicated production was balanced. However, there were a higher number of employers within the Red Rock Area (21.95%) that indicated production was over capacity, as compared to employers across Iowa (14.6%). This means companies can produce more product than customers want, which could be an indicator of the slowing of production growth.

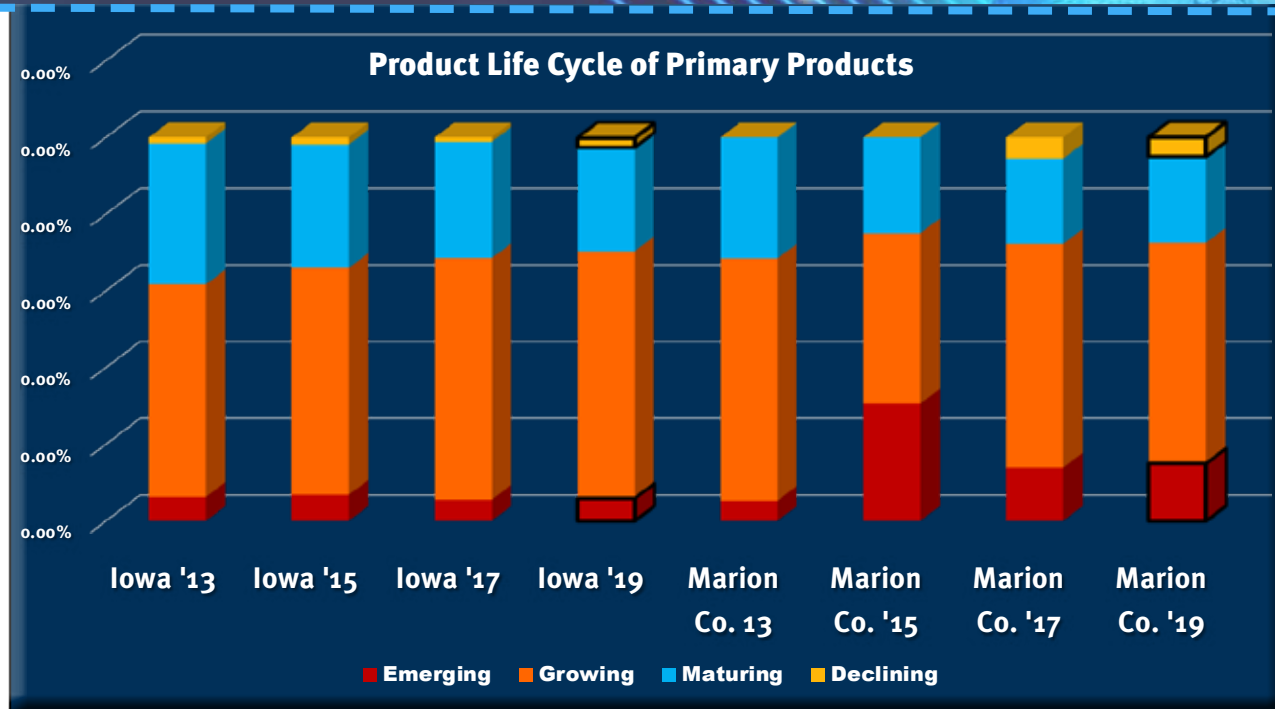
Total Sales



This is also evident by the Red Rock Area employers (56.1%) that indicated mergers, acquisitions and divestiture activity is increasing, as compared to 45.2% statewide. We may be entering into a cycle of market leaders acquiring smaller competitors or merging production locations to increase efficiencies.

Within these trends, Red Rock Area employers are investing in research and development at a higher rate than statewide: 54.4% statewide as compared to 82.9% in the Red Rock Area. With 53.66% of companies in Marion County investing less than 3% of sales in R & D, 19.51% investing 3-6% of sales in R & D and 9.76% investing over 6% in R & D. Research & development funds amongst Red Rock Area employers are spread evenly between new product development, product improvements and production improvements.

2019 Red Rock Area Existing Industry Survey



Red Rock Area

82.9%
Iowa-69.7%

**INTRODUCED
A NEW
PRODUCT IN
THE PAST
5 YEARS**

Red Rock Area

75.6%
Iowa-66.3%

**PLAN TO
INTRODUCE A NEW
PRODUCT IN
THE NEXT
2 YEARS**

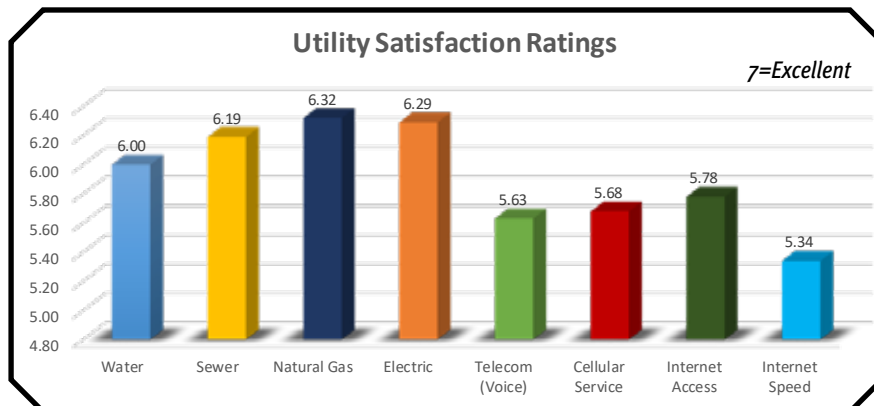


TECHNOLOGY: One quarter of Marion County employers indicate the technology infrastructure is not currently adequate for their company's growth plan. Over half of companies indicate there will be new emerging technologies that will impact their future.

MANAGEMENT & OWNERSHIP: Over Ninety percent of employers do not anticipate any ownership changes within the next 5 years. There is slightly more stir in top management changes with 5 percent with pending management changes and 27 percent anticipating top management changes within the next 18 months. All employers indicated that the attitude of Executives at Corporate Headquarters towards the community are the same as local management. This may be high due to the fact that many employers visited have their Corporate Headquarters within the Red Rock Area.



UTILITIES: When looking at utility satisfaction and consumption, the most critical factor for 35% of employers is increased internet speed needs. Other utilities such as electric, sewer, gas and water have stable consumption and high satisfaction. Telecom and internet remain as the two with the highest level of increase in consumption and the lowest rates for satisfaction.



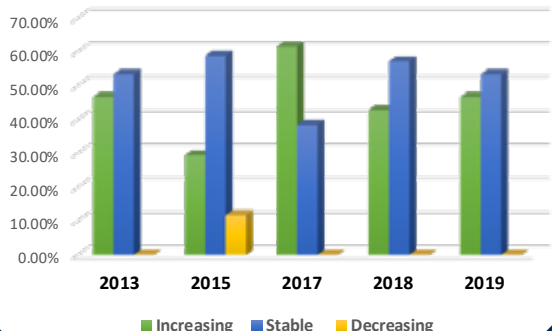
2019 Red Rock Area Existing Industry Survey

EXPORTS: Of the 41 employers interviewed within the Red Rock Area, fifty-five percent exported products to other countries. Of the exporting companies, 34% indicated increasing export sales while 40% reported export sales were stable.

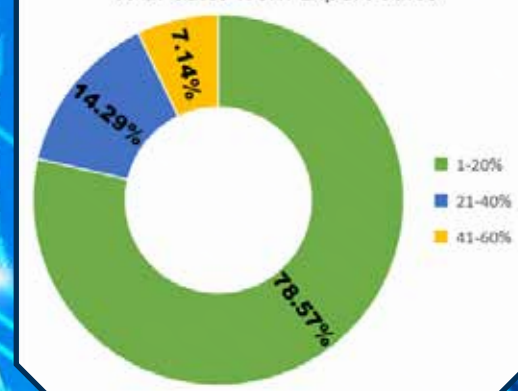
When asked what percentage of total sales come from export sales, Marion County employers indicated that 78.6% had 1 to 20% from export sales, 14.3% had 21 to 40% from export sales and 7.1% indicated that they had over 41% from export sales.

Many employers who exported indicated concerns for trade, and were supportive of passage of the USMCA, when interviews were conducted in the first and second quarter of 2019.

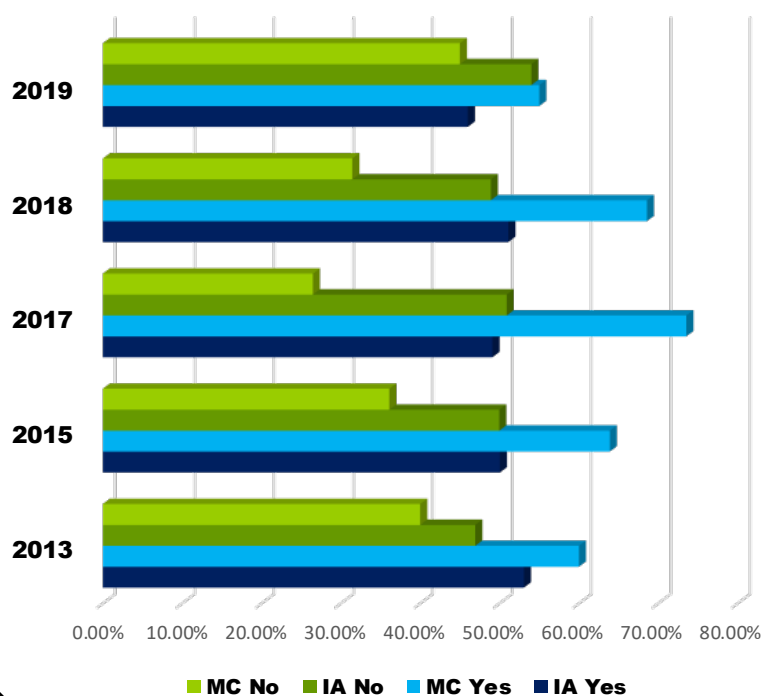
Export Sales as % of Total Sales



% of Sales from Export Sales



Expansion Plans Next 3 years



EXPANSION: Forty-six percent of companies statewide plan to expand within the next 3 years. This compares to 54% of companies, within Marion County, which have expansion plans. Not all companies provided expansions plan details, but of the companies that provided details the expansion plans include:

263 new jobs
\$2.9 million invested
over 850,000 sq. ft. of new space

Most of the expansion is happening within the manufacturing sector.

Of those entities looking to expand in the Red Rock Area, 58.54% indicated there are reasons that the community they are currently located in may not be considered for expansion. This compares to only 22.2% statewide that indicate the current community would not be considered for expansion.

The two main reasons for this response are the lack of workforce and the availability of industrial sites. The third most common reason is to have production closer to new or emerging markets in different geographic locations. These are the same reasons provided by employers around the state. However, employers in the Red Rock Area indicate a higher level of frustration with the workforce supply.

2019 Red Rock Area Existing Industry Survey

Employers were asked to rate the workforce factors on a scale of one to seven with seven being excellent.

The 2019 ratings for workforce availability and stability are lowest in nearly ten years of tracking within the county. The numbers have also fallen behind state numbers.

The solutions for upskilling and attracting workforce are not quick or easy. Most areas around the US are short on workforce and competition for talent means individuals have more opportunities for advancement.

2019 Workforce Ratings	Red Rock Area	Iowa
Availability	2.95	3.57
Quality	5.02	4.60
Stability	4.80	5.02
Productivity	5.66	5.52



80.65%

Red Rock Area employers indicate the community is the reason for workforce recruitment difficulties (48.3% Iowa)



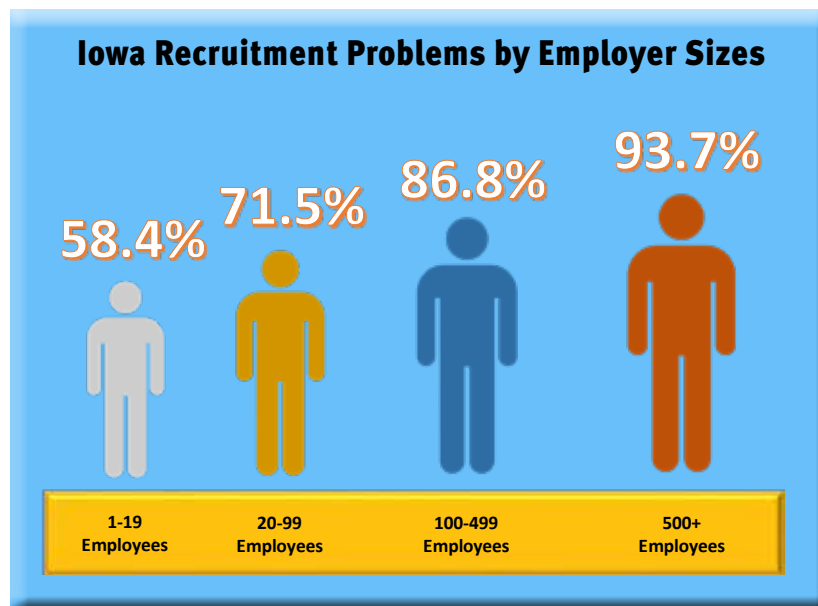
51.22%

Red Rock Area employers indicate increasing investment in employee training (45.5% Iowa)

Positions Most Difficult to Fill...

Production Labor
Transportation
Material Moving
Sales
Information Technology
Engineers
Welders
Doctors & Nurses
CNC Machine Operators
Quality Control
Industrial Painter
Machinists
Science & Math Teachers
People with International Experience
People with Problem Solving Skills

Statewide, the three top emerging and growing sectors are: Professional/ Technical & Scientific Services, Information and Finance.



2019 Red Rock Area Existing Industry Survey

WORKFORCE STRATEGIES: Employers were asked about what strategies they were currently using to address their workforce needs. The following list of the top 10 strategies being used from most frequent to least:

1. Job Sharing
2. Remote worker policies
3. Hiring immigrants
4. Continuous improvement/lean program
5. Increasing compensation and benefits
6. Internships or job experience programs
7. Hiring former military
8. Assisting employee transportation
9. Existing employee new skills training
10. Increasing automation/robotics in

production

The least used workforce strategies include On-site daycare, daycare priority or subsidy, employee referral program, connecting with high school programs and hiring previous offenders.



RECRUITMENT CHALLENGES: Employers were asked to provide insight in what objections are impeding workforce recruitment efforts. Once again, employers were asked to rank potential challenges. Below is the list from most critical to least critical:

1. Childcare availability & desired type
2. Housing availability & desired type
3. Competitive salary & benefits packages
4. Education and enrichment opportunities
5. Cultural, shopping and dining
6. Perceptions of rural Iowa
7. Cost of Living
8. Employment opportunities for trailing spouses



County Government Contacts for Business:

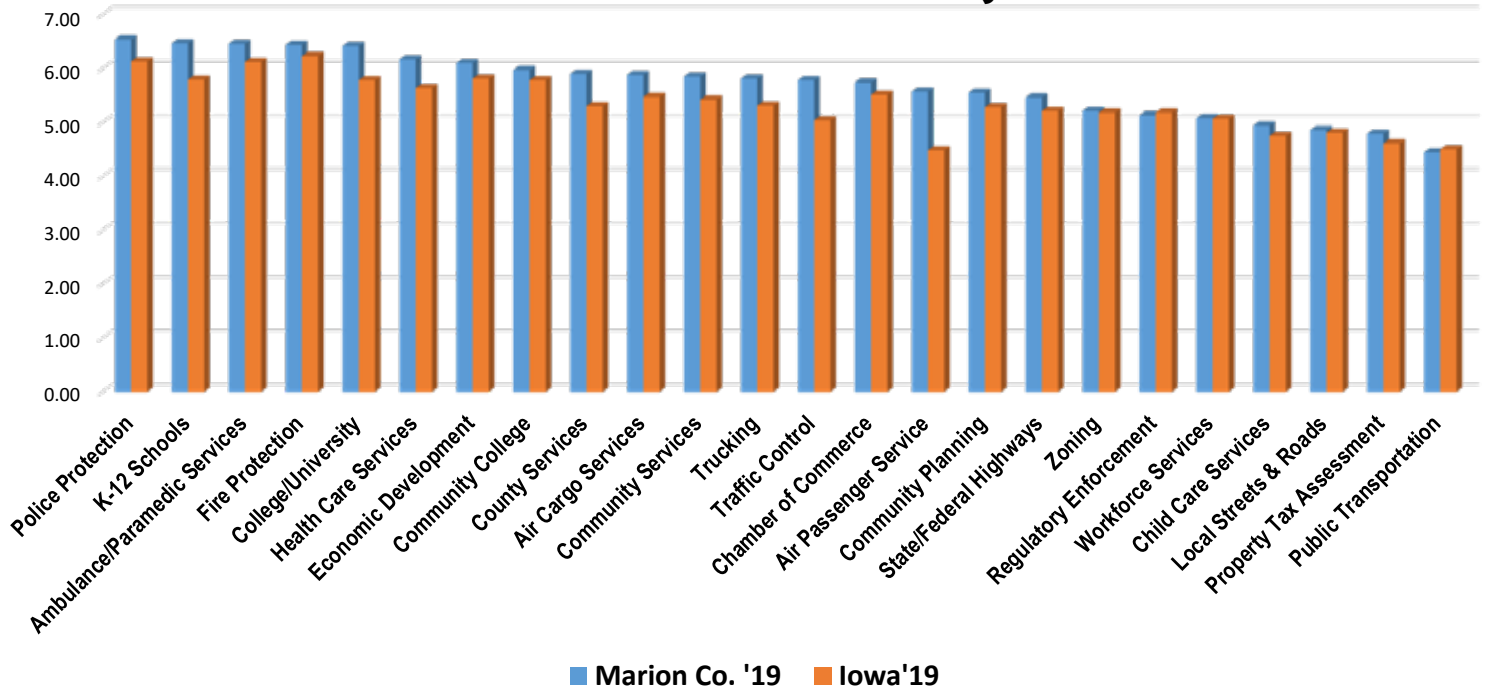
Department	Contact Person	Phone	Email
Board of Supervisors	Mark Raymie, Chair	641.828.2231 ext. 3	mraymie@marioncountyiowa.gov
Board of Supervisors	Kisha Jahner	641.828.2231 ext. 3	kjahner@marioncountyiowa.gov
Board of Supervisors	Steve McCombs	641.828.2231 ext. 3	smccombs@marioncountyiowa.gov
Development	Carla Eysink	641.828.2257	carla@redrockarea.com ceysink@marioncountyiowa.gov
Zoning & Building Permits	Melissa Poffenbarger	641.828.2231 ext. 7	mpoffenbarger@marioncountyiowa.gov
Assessor	Kelly Kingery	641.828.2215	kkingery@marioncountyiowa.gov
Recorder	Karen Schwanebeck	641.828.2211	kschwanebeck@marioncountyiowa.gpv
Treasurer	Michaela Bigaouette	641.828.2204	mbigaouette@marioncountyiowa.gov
Engineer (Rural Roads)	Tyler Christian	641.828.2225	tchristian@marioncountyiowa.gov

DID YOU KNOW...

Iowa Workforce Development has conducted a Laborshed Study for the area which will be released in Spring, 2020. This will have updated information on wages and benefits.

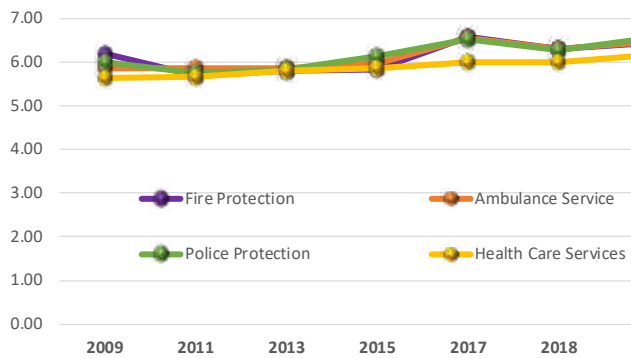
2019 Red Rock Area Existing Industry Survey

Community Assets Satisfaction Rating

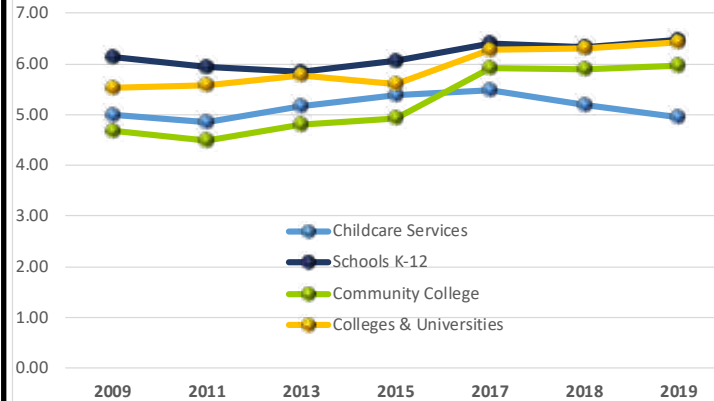


■ Marion Co. '19 ■ Iowa '19

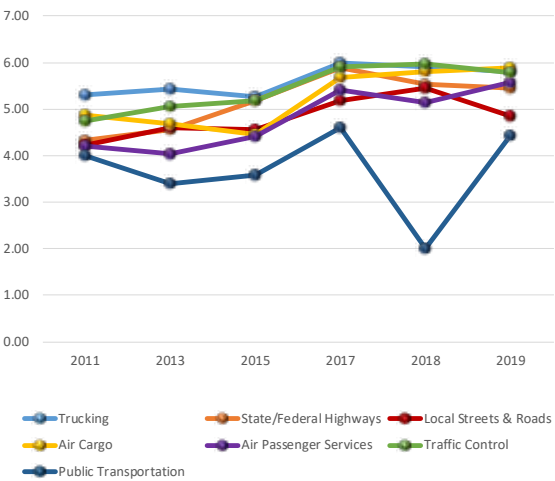
Health & Safety



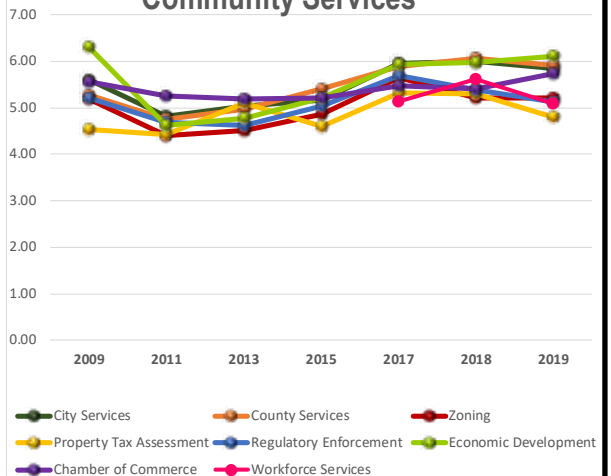
Education



Infrastructure



Community Services



Where Do We Go From Here?

Economic & Workforce Development are TEAM SPORTS...

Over the past year, local government leaders, economic & chamber organizations and utility partners have been meeting to discuss economic development projects and learn about programs to benefit economic development efforts.

In addition, Marion County Development & our local partners have commissioned three studies over the past decade. First, a tourism assessment done by nationally acclaimed Roger Brooks, a leader in destination development. Second, a housing study, done by Maxfield Research in market areas, to identify the demands for senior housing, rental housing and for-sale housing. And third, a childcare needs study, completed by First Children's Finance to assess gaps and needs within child care services.

Now, we are working to cast our vision to the future needs of the area by not only doing a strategic plan for Marion County, but integrating this plan with local economic development efforts. Together, we can create a shared vision, goals and priorities that will assist the Red Rock Area in best utilizing limited resources for the biggest gain.

Many communities waste time on how to structure economic development efforts, when the true critical factor is understanding economic and workforce development are team sports. No matter how you organize, it requires leaders to come together, whether within an organization, within a community or within a county. The key driver is to get everyone in the same boat... rowing in the same direction, with the understanding that everyone has a different role to play.

Our hope is that the data included in this report will not only inspire new more effective economic development efforts, but also assist employers in understanding their future. The Red Rock Area needs employers to actively participate in tackling our common issues together with community leaders to create a positive business climate. The best regions have aligned public-private visions, where obstacles become challenges, not road blocks.

Henry Ford once said, "Coming together is a beginning. Keeping together is progress. Working together is success."



FIVE KEY FINDINGS...

#1

Collaboration to enhance & grow workforce is critical to business growth and retention.

#2

Access to both global & local markets through infrastructure is vital to encourage business growth.

#3

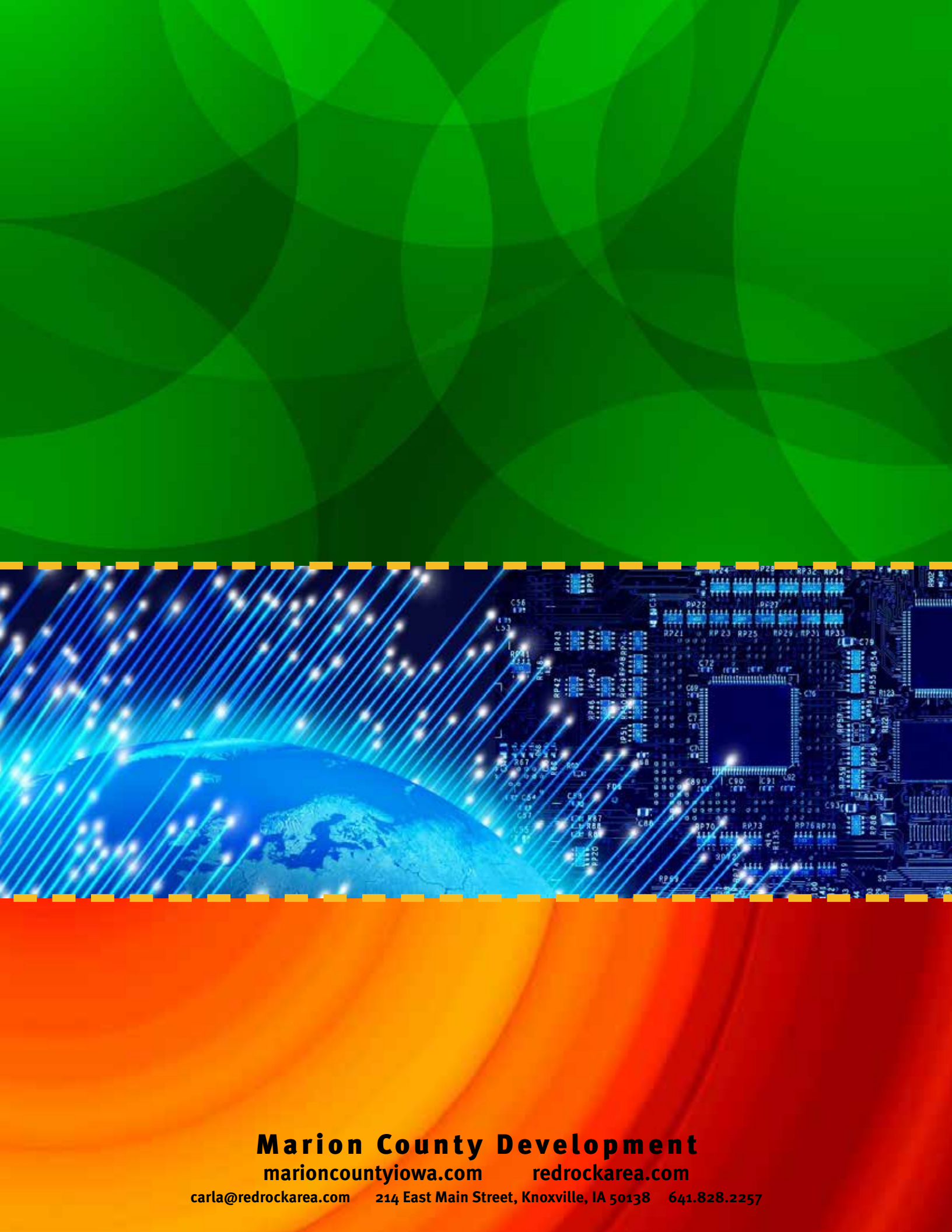
Community attractiveness & vibrancy is a key factor in business and population attraction.

#4

Continued investments in housing, childcare, infrastructure, technology & industrial sites are needed for community growth.

#5

Places & businesses willing to collaborate on a shared vision will be best positioned for adjusting to a changing environment.



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