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Tools for Community Self-determination

Story County Farm & Food Economy

Highlights of a data compilation

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for
Story County, Iowa
June 4, 2010

Story County: (Bureau of Economic Analysis)

86,219 residents receive \$3 billion of income annually (2008). Real personal income has increased fairly steadily, from \$1.1 billion in 1969. Government and educational jobs ranked as the most important source of personal income in 2000, totaling \$750 million. Interest, rent and dividend payments of \$420 million were the second most important source of personal income. Personal income from the service industry ranked third, at \$300 million. Personal income from manufacturing ranked fourth, totaling \$230 million.

In the food sector, food manufacturing generated over \$23 million in personal income, while retail food workers earned \$41 million, and dining service workers earned \$17 million.

Although population has risen 41% since 1969, there has been only limited public planning to assure a secure and stable food supply.

Issues affecting low-income residents of Story County:

Over 19,210 residents (27%) earn less than 185% of federal poverty guidelines. At this level of income, children qualify for free or reduced-price lunch at school. These lower-income residents spend about \$36 million each year buying food, including \$2.6 million of SNAP benefits (formerly known as food stamps) in addition to WIC coupons. 796 (74%) of the county's 1,077 farmers receive a combined annual total of \$17 million in subsidies (30-year average, 1979-2008), mostly to raise crops such as corn or soybeans that are sold as commodities, not to feed county residents. *Data from Federal Census of 2000, Bureau of Labor Statistics, & Bureau of Economic Analysis.*

2,714 county households (about 7,400 residents) earn less than \$10,000 per year. *Source: Federal Census of 2000.*

Food-related health conditions in Iowa:

11% of Iowa adults aged 18-64 have no health insurance. *Source: Centers for Disease Control.*

Estimated medical costs of treating diabetes for the Story County population: \$50 million per year. *Source: American Diabetes Association.*

Food has become a leading cause of death in the U.S, rivaling tobacco. A high-calorie diet, combined with a lack of exercise, accounts for one-fifth of the annual deaths in the U.S.¹ Six of the fifteen leading causes of death are related to poor diet and low physical activity.²

64% of Iowa residents are overweight (38%) or obese (27%). Four of every five state residents (80%) eat fewer fruits and vegetables than nutritionists recommend (five servings per day), and 75% report they have less than 20 minutes of physical activity three times each week. 7% of state residents have been diagnosed with diabetes. *Source: Centers for Disease Control.*

The county's farms (Agricultural Census, 2007)

Agriculture Census data for 2007 were released February 4, 2009

Land:

- 1,077 farms. This is a 10% increase over 977 farms in 2002.
- Story County has 1.1% of Iowa farms.
- 94 (9%) of these are 1,000 acres or more.
- 389 (36%) farms are less than 50 acres.
- The most prevalent farm size is 50-179 acres, with a total of 265 farms (25% of farms).
- Average farm size is 327 acres, just less than Iowa's average of 331 acres.
- The county has 352,240 acres of land in farms, a decrease of 2% since 2002.
- This amounts to 1% of the state's farmland.
- 93% of farmland is cropland, and 7% is devoted to other uses.
- County farms have 313,099 acres of harvested cropland.
- 27 farms have a total of 261 acres of irrigated land.
- Average value of land and buildings per farm is \$1.1 million. This is 104% of the state average.

Sales (Note that there may be discrepancies between Ag Census data and Bureau of Economic Analysis data, below):

- \$200 million of crops and livestock sold (2007).
- This is a 69% increase in sales over 2002 sales of \$119 million, though the number of acres farmed decreased 2%.
- Total farm production expenses were \$137 million, for an increase of \$45 million (49%) in production costs since 2002.
- The single largest expense item involved in farm production was the cost of fertilizers and soil conditioners, totaling \$20.1 million. Cash rent for land and buildings, and grazing fees, ranked second, totaling \$19.8 million. Seed purchases totaling \$13.6 million ranked third. Depreciation ranked fourth at \$12.6 million. Purchased feed ranked fifth, at \$12.0 million. Livestock purchases totaled \$10.9 million.
- \$162 million of crops were sold (81% of sales).

¹ McGinnis, J.M. & W.H. Foege (1993). "Actual causes of death in the United States." *JAMA* 270(18):2207-12; and Mokdad, A.H, J.S. Marks, D.F. Stroup, & J.I. Gerberding (2000). "Actual causes of death in the United States." *JAMA* 291(10):1238-45 [with published corrections in *JAMA* (2005), 293(3), 293-294.]

² Heron M., D.L. Hoyert, J. Xu, C. Scott, & B. Tejada (2008). *Deaths: preliminary data for 2006*. National Vital Statistics Report 56:16. http://www.cdc.gov/nchs/data/nvsr/nvsr56/nvsr56_16.pdf.

- \$39 million of livestock and products were sold (19% of sales).
- 386 (36%) of the county's farms sold less than \$10,000 of products in 2007. Their aggregate sales of \$637,000 amounted to less than 0.3% of the county's farm product sales.
- 368 farms (34%) sold more than \$100,000 of products, an aggregate total of \$185 million, 92% of county farm product sales.
- 796 (74%) farms received \$7.8 million of federal subsidies in 2007, 40% more than in 2002. *[Note that Agriculture Census data differ from Bureau of Economic Analysis data; see below.]*
- 27% (295) of county's farms reported net losses in 2007 after subsidies are taken into account. This is similar to the Iowa average of 26%.

Grains, Dry Edible Beans, Oil Crops, and others:

- Story County farms sold \$158 million of grains, oil crops and edible beans.
- 629 Story County farms sold \$114 million (35 million bushels) of corn on 200,475 acres in 2007.
- This was an average price of \$3.26 per bushel.
- 497 Story County farms sold \$44 million (5.4 million bushels) of soybeans from 106,227 acres in 2007.
- This was an average sale price of \$8.15 per bushel.
- 19 farms raise 15,548 bushels of oats on 191 acres.

Cattle & Dairy:

- 220 farms hold an inventory of 14,933 cattle and calves.
- 13,193 cattle worth \$12.8 million were sold from 182 farms in 2007.
- This amounted to 21% more farms, and 35% more in sales, over 2002.
- 11 farms were reported as selling \$1.4 million of milk or dairy products.
- This was 57% more farms, and 15% more sales, than in 2002.
- 225 farms produced 18,561 dry tons of forage crops (hay, etc.) on 5,260 acres of cropland.
- In addition, 18 farms produced 22,442 tons of corn silage on 1,394 acres.

Other livestock & animal products:

- 90 farms sold 162,074 hogs and pigs for a total of \$18.4 million. This represents a 36% increase in sales, from 4% fewer farms, than in 2002.
- 80 farms hold an inventory of 66,515 hogs and pigs.
- 51 farms raise laying hens, holding an inventory of 3,329.
- Story County had 14 broiler chicken producers, with an inventory of 370.
- 59 farms sold \$4.5 million of poultry and products in 2007, up 228% from 18 farms selling poultry in 2002.
- 89 farms sold \$706,000 of sheep, lambs, and goats.

Nursery, Landscape and Ornamental Crops:

- 10 farms sold ornamental and nursery crops. Sales figures were not released by USDA to protect confidentiality.
- 11 farms sold Christmas trees. Sales figures were not released by USDA to protect confidentiality.

Vegetables & Melons (some farmers state that Ag Census data does not fully represent vegetable production):

- 24 farms produced vegetables on 52 acres of land.
- Vegetable and potato sales were \$200,000 in 2007. Sales for 2002 were not disclosed.

- 18 farms raised potatoes.

Fruits (some farmers state that Ag Census data does not fully represent fruit production):

- The county has 22 fruit farms with 83 acres of orchard.
- 15 of these farms sold \$361,000 of fruit and nuts. Sales for 2002 were not disclosed.

Direct & organic sales:

- 57 farms sell \$443,000 of food directly to consumers. This is a 50% increase in the number of farms selling direct (38 in 2002), and a 57% increase in direct sales, over \$282,000 in 2002. Direct sales account for 0.2% of county farm sales, one-half the national average.
- County farmers make up 2% of the farms selling direct, and account for 3% of Iowa's direct sales (\$16.5 million of direct sales in Iowa in 2007, up from \$11.6 million in 2002).
- 9 county farms sold \$23,000 of organic products from 88 acres.
- This is 1.6% of Iowa farms (566) selling organic, and 0.1% of state sales (\$34 million).
- 11 farms market through community supported agriculture (CSA).
- 54 farms produce added-value products on the farm.

Conservation practices:

- 16 farms use rotational management or intensive grazing.
- 96 farms use conservation practices.
- 442 farms generate some electricity on the farm.

Other Story County highlights (Agriculture Census 2007):

- Ranks 2nd in Iowa for sales of fruits and nuts.
- Ranks 7th in state for inventory of turkeys.
- Ranks 7th in Iowa for crop sales.
- Ranks 8th in Iowa for sales of corn, with \$159 million.

Iowa highlights (Agriculture Census 2007):

- Ranks 1st in nation for acreage devoted to corn (8.6 million acres).
- Ranks 1st in nation for acreage devoted to soybeans (13.8 million acres).
- Ranks 1st in U.S. for sales of hogs and pigs (\$4.8 billion) and inventory held (19 million).
- Ranks 1st in nation for inventory of laying hens (54 million).
- Ranks 1st in nation for inventory of pullets for replacing laying hens (11 million).
- Ranks 2nd in nation for sales of grains and oilseeds, at \$10 billion.
- Ranks 3rd in the nation in farm commodity sales, with \$20 billion.
- Ranks 3rd in U.S. for sales of crops, with \$10 billion.
- Ranks 3rd in nation for sales of livestock, with \$10 billion.
- Ranks 4th in nation for sales of cattle and calves (\$3.6 billion).
- Ranks 4th in nation for sales of sheep and goats (\$40 million).
- Ranks 7th in nation for inventory of cattle and calves (3.9 million).
- Ranks 7th in nation for acreage devoted to oats for grain (66,651 acres).
- Ranks 8th in nation for acreage devoted to corn for silage (220,646 acres).
- Ranks 9th in U.S. for inventory of turkeys (4 million).
- 2,987 state farms earned \$16.5 million selling products directly to consumers, \$4.9 million (44%) more than in 2002, when 2,455 farms sold \$11.6 million of products directly.
- Direct food sales from farms account for more sales than the state's 11th-largest crop, oats.
- 542 farms devoted 566 acres to organic production.
- These organic farms sold \$34 million of organic products, including \$19 million of crops (this may include ornamental and greenhouse crops), and \$15 million of livestock and poultry, and related products.
- 487 farms market through community supported agriculture (CSA).
- 2,246 state farms produce value-added products.
- 41,350 farms use conservation methods.
- 10,267 farms practice rotational management or intensive grazing.
- 539 farms generate energy or electricity on the farm.

Iowa’s top farm commodities in 2007 (Economic Research Service)

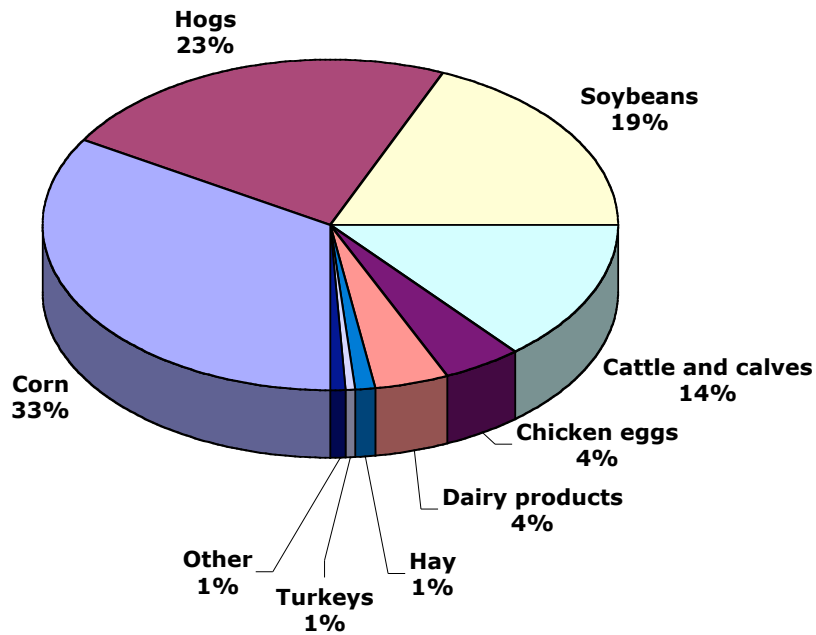
See chart on next page

	\$ millions
Corn	6,351
Hogs	4,327
Soybeans	3,510
Cattle and calves	2,676
Chicken eggs	825
Dairy products	810
Hay	163
Turkeys	137
Other	147

Note: Broilers and Sweet Corn were also listed among Iowa’s top 18 products, but sales figures for these products were not released by ERS.

Note also that at \$16 million, direct sales from farmers to consumers amount to more than the value of the 11th ranking product, oats.

Top farm commodities in Iowa, 2007



Source: USDA Economic Research Service

Balance of Cash Receipts and Production Costs (Bureau of Economic Analysis):

Note: Bureau of Economic Analysis farm income data differ from Agriculture Census data.

Story County farmers sell \$195 million of commodities per year (1979-2008 average), spending \$180 million to raise them, for an average gain of \$15 million each year.

However, 27% of the county's farms and ranches reported a net loss in 2007 (Agriculture Census), even after subsidies are taken into account.

Story County farmers and ranchers earned \$13 million more by selling commodities in 2008 than they earned in 1969 (in 2008 dollars). Sales of livestock and related products fell 60%, from \$125 million in 1979 to \$50 million in 2008, while crop income stayed fairly constant, despite considerable ups and downs. The single largest farm expense, and the one rising the fastest, is chemical, lime, and fertilizer costs at \$39 million [2008].

Farmers and ranchers earn another \$11 million per year of farm-related income — primarily rental income for land and insurance payments (30-year average for 1979-2008). Federal farm support payments averaged \$17 million per year for all county farms over the same years.

Story County consumers (2007):

Story County consumers spend \$214 million buying food each year, including \$127 million for home use. Most of this food is produced outside the county. \$443,000 of food products (0.2% of farm cash receipts, and 0.2% of local consumer needs) are sold by 57 farms directly to consumers — but not always to Story County consumers, since these figures include internet sales.

Estimated change in net assets for all county households was a combined loss of \$126 million in 2008 alone (BLS). This places additional pressure on Story County residents as they pay for food.

Farm and food economy summary:

Farmers gain \$15 million each year producing food commodities, spending \$80 million buying inputs from external suppliers, for a total outflow of \$65 million from the county economy.

Meanwhile, consumers spend more than \$190 million buying food sourced outside the county. Thus, total loss to the county is \$255 million of potential wealth *each year*. This loss amounts to more than the value of all commodities raised in the county.

Story County: markets for food eaten at home (2007):

Source: Bureau of Labor Statistics

	<i>millions</i>
Meats, poultry, fish, and eggs	\$ 27
Fruits & vegetables	21
Cereals and bakery products	17
Dairy products	15
“Other,” incl. sweets, fats, & oils	46

If Story County consumers purchased only 15% of the food they need for home use directly from county farmers, this would produce \$19 million of new farm income in Story County.

State of Iowa: markets for food eaten at home (2008):

Source: Bureau of Labor Statistics

Iowans purchase \$7.4 billion of food per year, \$4.4 billion of this to eat at home. Home food purchases break down in the following way:

	<i>millions</i>
Meats, poultry, fish, and eggs	\$ 936
Fruits & vegetables	737
Cereals and bakery products	602
Dairy products	525
“Other,” incl. sweets, fats, & oils	1,600

Key data sources:

Bureau of Economic Analysis data on farm production balance

<http://www.bea.doc.gov/bea/regional/reis/>

Food consumption estimates from Bureau of Labor Statistics Consumer Expenditure Survey

<http://www.bls.gov/cex/home.htm>

U.S. Census of Agriculture

<http://www.nass.usda.gov/census/>

USDA/Economic Research Service food consumption data:

<http://www.ers.usda.gov/data/foodconsumption/>

USDA/ Economic Research Service farm income data:

<http://ers.usda.gov/Data/FarmIncome/finfidmu.htm>

Centers for Disease Control: Behavior Risk Factors Surveillance System

BRFSS <http://apps.nccd.cdc.gov/brfss-smart/>

National Association of County and City Health Officials (NACCHO)

Big Cities Health Inventory <http://www.naccho.org/>

For more information:

To see results from *Finding Food in Farm Country* studies in other counties of the U.S.:

<http://www.crcworks.org/locales.html>

To read the original *Finding Food in Farm Country* study from Southeast Minnesota (written by Ken Meter and Jon Rosales for the Community Design Center and the Southeast Minnesota Experiment in Rural Cooperation): <http://www.crcworks.org/ff.pdf>

To view a PowerPoint presented in March, 2008, by Ken Meter at Rep. Collin Peterson's (D-MN) Minnesota agricultural forum, called the "Home Grown Economy":

<http://www.crcworks.org/crcppts/petersonKM08.pdf>

To get a brief list of essential food facts, many of which are cited in the presentation above,

<http://www.crcworks.org/foodmarkets.pdf>

To link to further analysis of farm and food economies in the U.S.:

<http://www.crcworks.org/econ.html>

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