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Tools for Community Self-determination

Scott County, Minnesota Local Farm & Food Economy

Highlights of a data compilation

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for

Local Harvest Alliance

April 13, 2009

Scott County: (Bureau of Economic Analysis)

126,642 residents receive \$4.5 billion of income annually (2006). Real personal income has increased six-fold since 1969, in part due to rapid population increase. Interest, rent and dividend payments totaling \$596 million is the most important source of personal income. Government jobs are second, with \$469 million. Construction jobs rank third, with \$353 million. Manufacturing jobs rank fourth, with \$346 million. Transfer payments (public payments such as pensions or other benefits) total \$333 million.

In the food sector, food manufacturing generates \$12 million in personal income, while retail food workers earn \$24 million, and dining service workers earn \$59 million, of income.

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

Issues affecting low-income residents of Scott County:

Over 12,600 residents (10%) 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 \$19 million each year buying food, and receive \$1.7 million of SNAP benefits (formerly known as food stamps) and several more million in WIC coupons (Scott County CAP has not yet uncovered this count). The county's 795 farmers receive an average combined total of \$4 million in subsidies (15-year average, 1992-2006), mostly to raise crops such as corn or soybeans that are sold as commodities, not to feed county residents. This money would be enough to feed one-fourth of all low-income residents in the county. *Data from Federal Census of 2000, Bureau of Labor Statistics, & Bureau of Economic Analysis.*

Three percent of county households (nearly 4,000 residents) earn less than \$10,000 per year. *Source: Federal Census of 2000.*

10% of all adults aged 18-64 in the county have no health insurance. *Source: Centers for Disease Control.*

Food-related health conditions:

20% of Scott County residents reported in 2007 that they eat five or more servings of fruit or vegetables each day. 80% do not. This is a key indicator of health, since proper fruit and vegetable consumption has been connected to better health outcomes. *Source: Centers for Disease Control.*

50% of county adults report they have at least 30 minutes of moderate physical activity five or more days per week, or vigorous physical activity for 20 or more minutes three or more days per week. *Source: Centers for Disease Control.*

6% of Twin City metro residents have been diagnosed with diabetes. *Source: Centers for Disease Control.*

61% of Twin City metro residents are overweight (35%) or obese (26%). Medical costs for treating these conditions in Minnesota are estimated at \$1.3 billion per year. *Source: Centers for Disease Control.*

The county's farms (Agricultural Census, 2007)

Agriculture Census data for 2007 were released February 4, 2009

Land:

- 795 farms. This is a 21% decrease in farms since 2002.
- Scott County has 1% of Minnesota farms.
- 20 (2.5%) of these are 1,000 acres or more.
- 387 (49%) farms are less than 50 acres.
- The most prevalent farm size is 10-49 acres, with a total of 345 farms (43% of farms).
- Average farm size is 148 acres, 45% of Minnesota's average.
- The county has 117,551 acres of land in farms, a decrease of 10% since 2002.
- This amounts to 0.4% of the state's farmland.
- 81% of farmland is cropland, and 5% is pasture.
- Scott county has 8,608 acres of wooded land.
- Total cropland in Scott County is 94,786 acres, down 13% from 2002.
- County farms have 86,254 acres of harvested cropland, 12% less than in 2002.
- 3,574 acres of cropland are used only for pasture or grazing — a 29% decline from 2002.
- 29 (3.6%) farms have a total of 446 acres of irrigated land.
- 4,360 acres of land were idled by 149 farms to help restore their fertility. This is 16% less land, and 8% fewer farmers, than in 2002.
- 4,097 acres are enrolled in the Conservation Reserve, Wetlands Reserve, Farmable Wetlands, or Conservation Reserve Enhancement Programs. This is 8% fewer acres than in 2002, although the number of farms participating rose 38% from 131 to 181.
- *Note:* Scott County GIS reports these more detailed figures as of February, 2009: CRP (265 parcels — 1,814 acres); CREP (38 parcels — 133 acres); Reinvest in Minnesota (65 parcels — 920 acres); Agriculture Preserve Lands (111 parcels — 6,769 acres). This data was reported by Kate Aitchison of the University of Minnesota Community Growth Options in her report, "The Future of our Farmland."
- 8,608 acres of Scott County farmland are woodlands. This is 7% of County farmland. It represents 17% more woodland acreage than in 2002. 1,738 acres of this woodland are pastured. 305 farms have woodlands — 3% fewer farms than in 2002.
- 11,290 acres of pastureland (10% of farmland) are maintained by 409 farms, about half of this permanent pasture.

- 47,834 acres are enrolled in insurance programs, 20% less than in 2002.
- Average value of land and buildings per farm is \$742,000. This is 87% of the state average of \$854,000, and a 57% increase over the \$471,000 average value of land and buildings for the county's farms in 2002.

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

- \$63 million of crops and livestock sold (2007), 0.5% of state ag sales.
- This is a 18% increase in sales over 2002 sales of \$53 million, though the number of acres farmed decreased 10%.
- Total farm production expenses were \$51 million, for a decline of \$686,000 (1%) in production costs since 2002.
- The two largest expense items involved in costs of farm production were feed and depreciation, each totaling \$6.8 million. Costs for purchasing livestock were next, at \$5 million. Scott County farmers also spent \$5.7 million on fertilizer and chemicals, \$5.6 million on cash rents, \$4.7 million on supplies, \$3.8 million buying seeds, and \$3.4 million paying interest on debt.
- \$28.5 million of crops were sold (45% of sales), \$600,000 (0.2%) than in 2002.
- \$34.8 million of livestock and products were sold (55% of sales). This is \$9.2 million (36%) more sales than in 2002, by 78 fewer farms (-19%).
- 438 (55%) of the county's farms sold less than \$10,000 of products in 2007. Their aggregate sales of \$840,000 amounted to 1.3% of the county's farm product sales.
- 127 farms (16%) sold more than \$100,000 of products, an aggregate total of \$54 million, 85% of county farm product sales.
- 431 farms received \$2.3 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.*]
- 52% (411) of county's farms reported net losses in 2007 even after subsidies are taken into account. This is far larger than the Minnesota average of 38% (30,484 of 80,992), but less than the county level of 59% in 2002.

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

- Scott County farms sold \$24.2 million of grains, oil crops and edible beans, \$6.6 million (36%) more than the \$17.7 million sold in 2002 .
- 287 Scott County farms raised \$14.8 million (5.062 million bushels) of corn on 40,469 acres in 2007.
- This was an average price of \$2.92 per bushel.
- In 2002, 292 county farms raised 6 million bushels of corn on 38,271 acres, so the number of farmers raising corn has declined.
- 230 Scott County farms raised \$9.1 million (1.1 million bushels) of soybeans on 27,852 acres in 2007.
- This is an average sale price of \$8.03 per bushel.
- In 2002, 275 county farms raised 1.6 million bushels of soybeans on 34,561 acres — the number of farms raising soybeans has increased.
- 39 of the county's farmers sold 40,037 bushels of wheat, a majority of it spring wheat, on 1,181 acres.
- The county's wheat crop brought a total of \$225,000.
- 43 farms raise 51,229 bushels of oats on 908 acres.
- 9 farms produce 5,765 bushels of barley on 149 acres, worth \$11,000.
- 38 farms produced dry edible beans worth \$88,000.

Cattle & Dairy:

- 252 farms hold an inventory of 18,188 cattle and calves, down from 323 farms with 20,667 head in 2002.
- 13,720 cattle worth \$14 million were sold from 220 farms in 2007. This represents a loss of 40 farms (-15%) since 2002, but total sales were \$3.6 million (34%) higher.
- 64 farms were reported as selling milk or dairy products, 17 less (-21%) than in 2002.
- Milk and dairy sales totaled \$15.5 million, \$3.9 million (34%) more than five years before.
- 389 farms produced 36,356 dry tons of forage crops (hay, etc.) on 11,457 acres of cropland. Of these, 192 farms sold \$632,000 of forage.
- In addition, 91 farms produced 48,225 tons of corn silage on 3,351 acres.

Other livestock & animal products:

- 42 farms sold 44,733 hogs and pigs for a total of \$3.9 million. This is a loss of 21 farms (33%), and an increase of \$874,000 (29%) in sales, over the past five years.
- 39 farms hold an inventory of 12,802 hogs and pigs.
- 44 farms sold a total of \$242,000 of horses. This means 24 fewer (-35%) farms sold \$30,000 (-11%) less than in 2002.
- 60 farms raise laying hens. Each of these farms has less than 3,200 hens; 47 have less than 50 hens.
- Inventory of layers is 3,221.
- Scott County has 9 broiler chicken producers, each of whom has fewer than 2,000 birds.
- Inventory of broilers fell from 1,568 in 2002 to 540 in 2007.
- 73 farms sold \$844,000 of poultry and products in 2007. County poultry sales were not released by USDA for 2002 to protect confidentiality; only 47 farms sold poultry or poultry products.
- 41 farms held an inventory of 794 sheep, lambs, and goats; selling \$78,000 worth. This is 6% more than the 2002 inventory of 743. While the number of farms (46 in 2002) raising these small livestock fell by 11%, sales (\$49,000 in 2002) increased 60%.

Nursery, Landscape and Ornamental Crops:

- 24 farms sold \$2 million of ornamental and nursery crops. This was \$5.5 million (73%) less than was sold by county farms in 2002.
- 2 county farms sold Christmas trees, but sales data were withheld by the Agriculture Census. In 2002, 4 farms sold \$68,000 of Christmas trees.

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

- Vegetable and potato sales figures for Scott County were withheld by the Agriculture Census in 2007. In 2002, county vegetable sales totaled \$598,000.
- 28 farms produced these vegetables on 359 acres of land; there were 26 vegetable farms working 884 acres in 2002.
- 3 farms raise potatoes.
- Specific vegetables listed in the Agriculture Census:

	Farms	Acres
Vegetables	28	359
Asparagus	2	(D)
Beans, snap	3	3

Beets	2	(D)
Broccoli		
Cabbage, head	2	(D)
Cantaloupes	5	6
Cauliflower	2	(D)
Cucumbers	3	(Z)
Eggplant	1	(D)
Garlic	1	(D)
Herbs, fresh cut	2	(D)
Onions, dry	2	(D)
Peas, green	3	(D)
Peppers, bell	2	(D)
Peppers, chile	1	(D)
Potatoes	3	(D)
Pumpkins	15	44
Rhubarb	2	(D)
Squash, winter	6	5
Squash, summer	7	4
Sweet corn	10	108
Tomatoes	7	11
Watermelon	3	1

Note: (D) means data suppressed by USDA to protect confidentiality; (Z) means less than half of an acre.

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

- The county has 21 fruit farms with 341 acres of orchard, compared to 19 fruit farms and 279 acres of orchards in 2002.
- These farms sold \$911,000 of fruit and nuts, \$177,000 more than 2002 sales, on roughly the same number of farms. Scott County has 5% of Minnesota's fruit sales, and ranks fifth in the state for fruit production.
- Specific fruits and nuts listed in the Agriculture Census:

	Farms	Acres
Fruits	21	341
Apples	17	312
Cherries, tart	3	(D)
Grapes	5	14
Pears	4	2
Plums & Prunes	2	(D)
Chestnuts	1	(D)
Hazelnuts	1	(D)
Walnuts	1	(D)
Raspberries	5	(D)
Strawberries	3	(D)

Note: (D) means data suppressed by USDA to protect confidentiality; (Z) means less than half of an acre.

Direct and organic sales:

- 75 farms sell \$1.5 million of food directly to consumers. This is a 21% increase (13 farms) in the number of farms selling direct (62 in 2002), and a 142% increase in direct sales, over \$627,000 in 2002. Direct sales account for 2% of county farm sales, four times the national average.
- County farmers make up 2% of the farms selling direct, and account for 4.4% of Minnesota's direct sales (\$34.7 million of direct sales in Minnesota in 2007, and \$22.7 million in 2002).
- 2 county farms reported income from agri-tourism, down from 8 farms earning \$33,000 in 2002. 2007 income figures from agri-tourism in Scott County were withheld by the Agriculture Census.
- 9 county farms sold organic foods (\$316,000 sales) from 589 acres.
- This is 1.4% of Minnesota farms (636) selling organic, and 0.8% of state sales (\$40 million).
- 8 farms market through community supported agriculture (CSA).
- 33 farms produce added-value products on the farm.

Conservation practices:

- 100 farms use rotational management or intensive grazing.
- 255 farms use conservation practices.
- 5 farms generate some electricity on the farm.

Other Scott County highlights (Agriculture Census 2007):

- Ranks 1st in Minnesota for inventory of pigeons and squab.
- Ranks 3rd in state for inventory of pheasants.
- Ranks 5th in Minnesota for fruit and nut production, with \$911,000 in sales.
- Ranks 13th in state for sales of horses, with \$242,000 of sales.

Scott County Food Business Highlights (U.S. Census, 2006)

- Four firms are listed as offering agriculture support services. No payroll is reported.
- Nine firms manufacture food items, employing 262 people at an annual payroll of \$16.5 million.
- Five food distribution firms are located in Scott County, hiring more than 20 people. No payroll is listed.
- 51 retail food stores are located in the county, employing 878 people with an annual payroll of \$12.4 million.
- This totals to 69 firms hiring about 1,170 people with total payroll of more than \$29 million.

Minnesota highlights (Agriculture Census 2007):

- Ranks 7th in the nation in farm product sales, down from 6th in 2002.
- Ranks 4th in U.S. for sales of crops.
- Ranks 8th in nation for sales of livestock.
- Ranks 1st in U.S. for inventory of turkeys (18 million).
- Ranks 1st in nation for acres devoted to sugar beets (486,000).

- Ranks 3rd in U.S. for acreage planted to soybeans (6.2 million acres).
- Ranks 3rd in U.S. for sales of hogs and pigs (\$2.1 billion) and inventory held (7.6 million).
- Ranks 4th in nation for acreage devoted to corn (7.8 million acres).
- Ranks 6th in U.S. for sales of milk and dairy products (\$1.5 billion).
- Ranks 10th in nation for sales of cattle and calves (\$1.4 billion).
- Ranks 10th in U.S. for sales of poultry and eggs (\$1 billion).
- Ranks 10th in U.S. for acreage devoted to wheat (1.7 million acres).
- Ranks 11th in nation for inventory of laying hens (10.6 million).
- Ranks 15th in U.S. for acreage devoted to forage crops (1.7 million acres).
- Minnesota had 80,992 farms in 2007, slightly more than the 80,839 farms in 2002.
- Total sales of farm commodities totaled \$13 billion, a 54% increase over 2002.
- \$7 billion of farm sales (53%) came from selling crops.
- \$6 billion of farm sales (47%) came from selling livestock and products.
- Government payments increased 27% over 2002 levels, to \$13.1 billion.
- The most prevalent farm size was 50-179 acres, with 26,000 farms.
- The next most prevalent farm size was 180-499 acres, with 20,000.
- The third most prevalent farm size was 10-49 acres, with over 18,000 farms.
- 7,000 farms managed more than 1,000 acres.
- 367 farms reported \$7.7 million of income from agri-tourism and related activities, up from \$1.8 million in 2002. However, 400 farms earned income from tourism in 2002.
- 4,293 state farms earned \$34.7 million selling products directly to consumers, \$11.9 million (52%) more than in 2002, when 3,847 farms sold \$22.7 million of products directly.
- Direct food sales from farms account for more sales than the state's 16th-largest crop, sunflower seeds.
- 718 farms devoted 96,342 acres to organic production. This included 74,299 acres of harvested cropland, 15,146 acres of pastureland, and 20,702 acres on 342 farms undergoing organic conversion.
- 636 of these organic farms sold \$40 million of organic products, including \$17.6 million of crops (this may include ornamental and greenhouse crops), \$2.9 million of livestock and poultry, and \$19.4 million of products from livestock and poultry (such as milk or eggs).
- 368 farms market through community supported agriculture (CSA).
- 2,212 state farms produce value-added products.
- 22,894 (28%) farms use conservation methods.
- 8,855 farms practice rotational management or intensive grazing.
- 514 farms generate energy or electricity on the farm.

Minnesota's top 25 farm products in 2007 (Economic Research Service)

See chart on next page

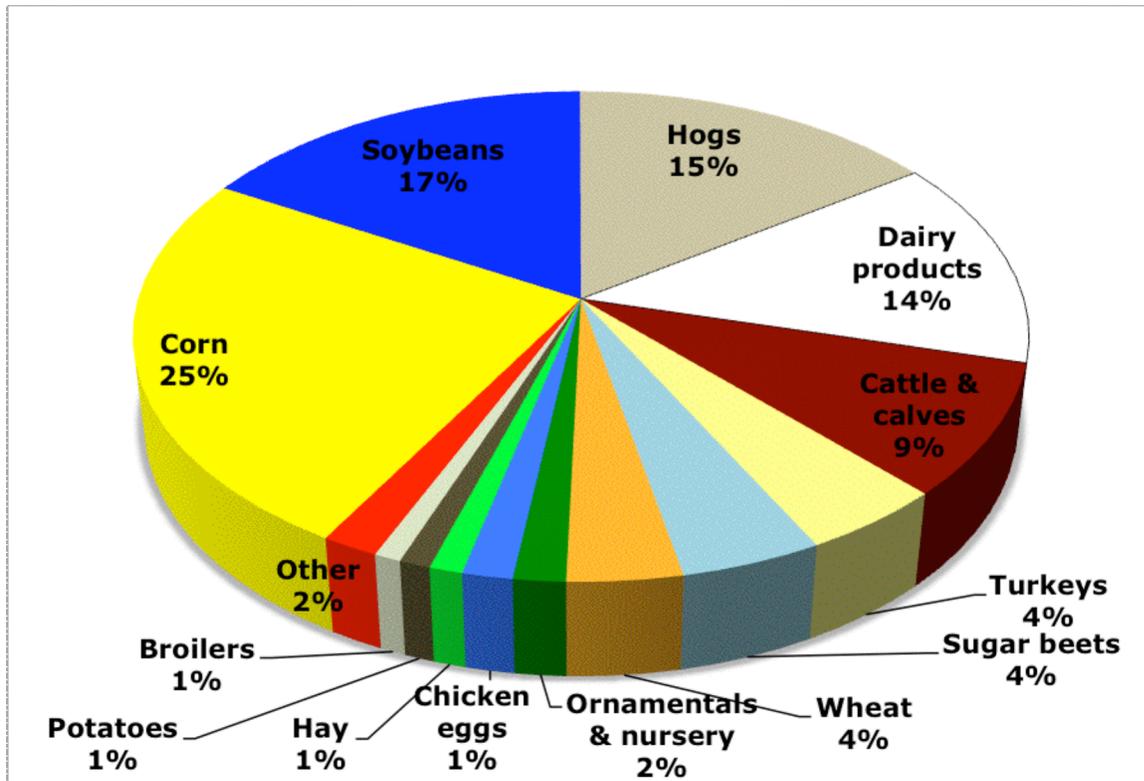
	\$ millions
1 Corn	3,055
2 Soybeans	2,039
3 Hogs	1,878
4 Dairy products	1,692
5 Cattle and calves	1,067
6 Turkeys	555
7 Sugar beets	544
8 Wheat	442
9 Greenhouse/nursery	200
10 Chicken eggs	193
11 Hay	128
12 Potatoes	120
13 Broilers	104
14 Corn, sweet	66
15 Dry beans	61
16 Sunflower	31
17 Sheep and lambs	15
18 Oats	15
19 Barley	12
20 Apples	11
21 Honey	9

Note: Green peas, rye, carrots, and snap beans were also listed among Minnesota's top 25 products, but sales figures for these products were not released by ERS.

Note also that at \$35 million, direct sales from farmers to consumers amount to more than the value of the 16th ranking product, sunflower seeds.

Minnesota's top 25 farm products in 2007 (Economic Research Service)

See table on previous page



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. For Scott County, BEA farm income data is lower, while expense figures are higher, for an overall lower net income. For one thing, BEA data ends in 2006, while USDA data are from 2007. BEA says the major difference between USDA and BEA data sets is that BEA data offer a more full accounting of depreciation costs, in line with international standards. BEA also says it hopes to update its computer models this year.

Scott County farmers sell \$57 million of commodities per year (1992-2006 average), spending \$65 million to raise them, for an average loss of \$8 million each year. The farm sector as a whole has not earned a positive cash flow from raising commodities (though clearly some individual farms have made money) since 1992. Note that these sales figures compiled by the BEA differ from data recorded by the USDA Agriculture Census (see above).

Overall, farm producers have experienced losses of \$120 million since 1992. Moreover, 52% of the county's farms and ranches reported a net loss in 2007 (Agriculture Census), even after subsidies are taken into account.

Scott County farmers and ranchers earned \$22 million less by selling commodities in 1969 than they earned in 2006 (in 2006 dollars). Sales of livestock and related products fell 74%, from \$80 million in 1979 to \$24 million in 2006, while crop income stayed fairly constant. The most steadily increasing cost of production is seed costs.

Farmers and ranchers earn another \$2.7 million per year of farm-related income — primarily rental income for land and insurance payments (15-year average for 1992-2006). Federal farm support payments average \$4.4 million per year for the entire county over the same years. Even taking these sources of income into account, net farm income has averaged a deficit of \$1 million. This means many farm families rely deeply on off-farm income.

Scott County consumers (2007):

Scott County consumers spend \$254 million buying food each year, including \$143 million for home use. Most of this food is produced outside the county. \$1.5 million of food products (2% of farm cash receipts, and 0.6% of local consumer needs) are sold by 75 farmers directly to consumers, but not always to Scott County consumers.

Estimated change in net assets for all county households was a combined loss of \$206 million in 2007 alone (BLS). This places additional pressure on Scott County residents as they pay for food.

Farm and food economy summary:

Farmers lose \$8 million each year producing food commodities, spending \$28 million buying inputs from external suppliers, for a total outflow of \$36 million from the county economy.

Meanwhile, consumers spend more than \$230 million buying food from outside. Thus, total loss to the county is \$266 million of potential wealth *each year*. This loss amounts to nearly five times the value of all commodities raised in the county.

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

Source: Bureau of Labor Statistics

	<i>millions</i>
Meats, poultry, fish, and eggs	\$ 30
Fruits & vegetables	24
Cereals and bakery products	19
Dairy products	16
“Other,” incl. sweets, fats, & oils	52

If Scott County consumers purchased only 15% of the food they need for home use directly from county farmers, this would produce \$21 million of new farm income in Scott County — an amount equivalent to one-third of the 2007 farm sales in the county.

Twin Cities Metro region: markets for food eaten at home (2007):

Source: Bureau of Labor Statistics

Twin Cities residents purchase \$7.1 billion of food each year; \$4 billion to eat at home. Home purchases break down in the following way:

	<i>millions</i>
Meats, poultry, fish, and eggs	\$ 856
Fruits & vegetables	676
Cereals and bakery products	550
Dairy products	465
“Other,” incl. sweets, fats, & oils	1,482

State of Minnesota: markets for food eaten at home (2007):

Source: Bureau of Labor Statistics

Minnesotans purchase \$12.1 billion of food per year, \$6.8 billion of this to eat at home. Home purchases break down in the following way:

	<i>millions</i>
Meats, poultry, fish, and eggs	\$ 1,448
Fruits & vegetables	1,144
Cereals and bakery products	930
Dairy products	786
“Other,” incl. sweets, fats, & oils	2,506

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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