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Tools for Community Self-determination

Columbus Region (Indiana) Local Farm & Food Economy

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for
Columbus Regional Health (Columbus, Indiana)

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Covers Bartholomew & Jackson Counties in Indiana

Columbus Region (Bureau of Economic Analysis, 2013)

123,053 residents receive \$5 billion of income annually. Personal income increased 234% from 1969 to 2013, after dollars were adjusted for inflation. The largest source of personal income is manufacturing, with workers earning \$1.9 billion. Transfer payments (from government programs such as pensions) were the second most important source, at \$895 million. Ranking third was capital income (from interest, rent or dividends), which accounted for \$811 million of personal income. Government workers earned \$488 million, while employees in health care industries earned \$271 million, and retail workers earned \$250 million. Wholesale workers earned \$192 million, and transportation workers earned \$172 million. Note that income from public sources makes up 27% of all personal income in the region.

Income earned from transfer payments includes \$382 million of retirement and disability insurance benefits; \$359 million of medical benefits; \$77 million of income maintenance benefits; \$14 million of unemployment insurance; and \$20 million of veterans' benefits.

Government income includes \$20 million of income earned by federal workers and \$455 million earned by state and local government workers (\$382 million of this is local government). Military personnel earn \$12 million of personal income.

The region's population has increased 38% since 1969, led by growth in Bartholomew County.

Issues affecting low-income residents of the Columbus Region:

Over 25,600 residents (22%) 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 \$50 million each year buying food, including \$8.5 million of SNAP benefits (formerly known as food stamps) and additional WIC coupons. The region's 1,367 farmers receive an annual combined total of \$14.5 million in subsidies (25-year average, 1989-2013), mostly to raise crops such

¹ Considerable research assistance provided by Nick Wojciak.

as corn or soybeans that are sold as commodities, not to feed local residents. *Data from Federal Census of 2009-2013, Bureau of Labor Statistics, & Bureau of Economic Analysis.*

5% percent of the Columbus Region's households (over 6,500 residents) earn less than \$10,000 per year. *Source: Federal Census of 2009-2013.*

21% of all adults aged 18-64 in Indiana carried no health care coverage in 2013. *Source: Centers for Disease Control.*

Food-related health conditions:

44% of the state's residents reported in 2013 that they eat less than one serving of fruit per day. 27% eat less than one serving of vegetables. This is a key indicator of health, since proper fruit and vegetable consumption has been connected to better health outcomes. Many experts recommend consumption of at least five servings of fruit and vegetables each day, while others make even higher recommendations. *Source: Centers for Disease Control.*

16% of Indiana adults report they get sufficient exercise each week to meet recommended guidelines. *Source: Centers for Disease Control.*

11% of Indiana residents have been diagnosed with diabetes as of 2013. *Source: Centers for Disease Control.* Medical costs for treating diabetes and related conditions in the state are estimated at \$5 billion. *Source: American Diabetes Association.*

65% of Indiana residents were overweight (34%) or obese (31%) in 2013. *Source: Centers for Disease Control.*

The Columbus Region's farms (Agricultural Census, 2012)

Agriculture Census data for 2012 were released May 2, 2014

The Census of Agriculture defines a "farm" as "an operation that produces, or would normally produce and sell, \$1,000 or more of agricultural products per year."

Land:

- 1,367 farms. This is 2% of Indiana farms.
- The Columbus Region had 9% fewer farms in 2012 than in 2007.
- 85 (6%) of the region's farms are 1,000 acres or more in size.
- 550 (40%) farms are less than 50 acres.
- Average farm size is 260 acres, slightly above the state average of 251 acres.
- The region has 355,000 acres of land in farms.
- This amounts to 2% of the state's farmland.
- The Columbus Region holds 280,000 acres of harvested cropland.
- 16,000 of these acres are irrigated.

- Average value of land and buildings per farm was \$1.4 million. This was a bit more than the 2012 state average of \$1.3 million.

Sales:

With the exception of foods sold directly to consumers (see below), farmers typically sell commodities to wholesalers, brokers or manufacturers that require further processing or handling to become consumer items. The word “commodities” is used in this report to mean the crops and livestock sold by farmers through these wholesale channels. The term “products” encompasses commodity sales, direct sales, and any other sales.

- The region’s farmers sold \$280 million of crops and livestock in 2012.
- Farm product sales increased 5% from 2007 to 2012, fueled by unusually high grain prices that have since declined.
- \$163 million of crops were sold.
- \$117 million of livestock and products were sold.
- 647 (47%) of the region’s farms sold less than \$10,000 of products in 2012.
- Total sales from these small farms were \$1.4 million, 0.5% of the region’s farm product sales.
- 351 (26%) of the region’s farms sold more than \$100,000 of products.
- Total sales from these larger farms were \$263 million, 94% of the region’s farm product sales.
- 43% of the region’s farms (583 of 1,367) reported net losses in 2012. This was less than the Indiana average of 47%.
- 893 (65%) of the Columbus Region’s farmers collected a combined total of \$8.5 million of federal subsidies in 2012.

Top farm products of the Columbus Region (2012).

*Note: * denotes sales data has been suppressed.*

Product	\$ Millions
Poultry and eggs	81
Corn	66
Soybeans	35
Hogs and pigs	20
Cattle and calves	9
Milk from cows (see text)	6
Forage Crops (hay, etc.)	2
Horses	*0.3
Sheep and goats	0
Ornamentals	*0.1

Production Expenses:

- Feed purchases were the largest single expense for Columbus Region farmers in 2012, totaling \$45 million (19% of production expenses).
- Fertilizer, lime, and soil conditioners ranked as the second most important expense, at \$32 million (14%).
- Cash rent for buildings and land totaled \$21 million (9%).
- Purchases of seeds totaled \$20 million (9%).
- Farmers charged \$18 million to depreciation (8%).
- Chemical purchases were \$15 million (6%).
- Livestock and poultry purchases totaled \$15 million (6%).
- Supplies, repairs, and maintenance cost farmers \$14 million (6%).
- Hired farm labor expenses were \$13 million (6%).

Cattle & Dairy:

- 417 farms hold an inventory of 15,000 cattle.
- 9,039 cattle were sold by farmers in 2012 for total sales of \$8.8 million.
- 314 farms raise beef cows.
- 34 farms raise milk cows.
- 39 farms produced corn for silage.
- 420 farms produced 27,000 tons of forage crops (hay, etc.) on 11,000 acres.
- 195 farms sold \$1.6 million of forage.

Other Livestock & Animal Products:

- 53 farms hold an inventory of 57,000 hogs and pigs.
- 53 farms sold 202,000 hogs and pigs in 2012.
- 41 farms hold an inventory of 710 sheep and lambs.
- 65 farms sold \$153,000 worth of sheep, goats, and lambs in 2012.
- 52 Bartholomew County farms hold an inventory of 1,209 laying hens. *Note that data for the 42 farms with an inventory of laying hens in Jackson County were suppressed by the USDA in an effort to protect confidentiality, so no total can be calculated for the region as a whole.*
- 7 farms raise broiler chickens.
- 1 farm engages in aquaculture.
- 60 farms raise horses and ponies.

Grains, Oil Seeds, & Edible Beans:

- 826 farms produced \$102 million of grains, oil seeds, and edible beans.
- 614 farms produced 12 million bushels of corn on 134,000 acres, worth \$66 million.

- This amounts to an average price per bushel of corn of \$5.50. *Note that this price is an approximation, and does not necessarily represent an actual price at which corn was sold.*
- 613 farms produced 5 million bushels of soybeans on 126,000 acres, worth \$35 million.
- This amounts to an average price per bushel of soybeans of \$7.00. *Note that this price is an approximation, and does not necessarily represent an actual price at which soybeans was sold.*
- The total value of corn and soybeans amounted to 36% of all farm product sales in 2012.
- 129 farms produced 697,000 bushels of wheat. *Sales figures for wheat in Bartholomew and Jackson counties were suppressed by the USDA in an effort to protect confidentiality.*

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

- 49 farms worked 1,985 acres to produce vegetables, selling \$3.4 million.
- This represents a 3-farm increase in the number of farms selling vegetables, and a 22% decrease in sales (from \$4.31 million) since 2007 levels.
- 4 farms raised potatoes.

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

- 7 Bartholomew County farms hold 25 acres of orchards. *Note that data for acreage of orchards held by the four farms in Jackson County were suppressed by the USDA in an effort to protect confidentiality, so no regional total can be calculated.*
- 5 Jackson County farms sold \$46,000 of fruits, nuts, and berries. *Note that data for the five farms selling fruits, nuts, and berries in Bartholomew County were suppressed by the USDA in an effort to protect confidentiality, so no regional total can be calculated.*

Nursery & Greenhouse Plants:

- 16 farms sold at least \$146,000 worth of ornamentals in 2012. *Note that data for sales of ornamentals in Jackson County were suppressed by the USDA in an effort to protect confidentiality, so this total is incomplete.*
- This represents a 2-farm increase over 2007.
- 7 farms sold Christmas trees.

Direct & Organic Sales:

- 95 farms sold \$904,000 of food products directly to consumers. This is a 17% increase of number of farms (81 in 2007) selling direct, and a 21% increase in direct sales over 2007 sales of \$747,000.
- This amounts to 0.3% of farm product sales, the same as the national average of 0.3%.

- No farms in the region reported to the Census of Agriculture that they sell organic products. *Since data collection was based on a sample of farms and asks if a particular farm is certified, there could well be farms in the region that pursue organic practices but were not counted.*
- 7 farms market through community supported agriculture (CSA).
- 44 farms produce and sell value-added products.
- 21 farms marketed products directly to retail outlets.
- 11 farms had on-farm packing facilities.

Conservation Practices:

- 133 farms practice rotational or management intensive grazing.
- No farms practiced alley cropping or silvopasture.
- 3 farms harvested biomass for use in renewable energy.

Operations by Legal Status for Tax Purposes in the Columbus Region

(Census of Agriculture, 2012)

** denotes data was suppressed*

	Farms	Acres
Family or individual	1,180	249,567
Partnership	86	40,334
Corporation (family held)	78	59,564
Corporation (other than family held)	3	*0
Other – cooperative, estate or trust, institutional, etc.	20	*0
Totals	1,367	*349,465

Note: there were 355,000 total farm acres in the Columbus Region, so data covering 6,000 acres were suppressed.

County and State Highlights

Bartholomew County highlights (Census of Agriculture, 2012):

- 623 farms, 7% less than in 2007.
- Bartholomew County has 172,000 acres of land in farms.
- Farmers sold \$95.6 million of products in 2012.
- \$85.5 million (89%) of these sales were crops.
- \$10.1 million (11%) of these sales were livestock.
- The most prevalent farm size is 10 to 49 acres, with 197 farms (32%) in this category.
- The next most prevalent is 50 to 179 acres, with 151 (24%) farms.
- 46 farms (7%) are 1,000 acres or more.
- 275 farms (44%) are less than 50 acres.
- 281 farms (45%) sold less than \$10,000 in farm products.
- 169 farms (27%) sold more than \$100,000 in farm products.
- Bartholomew County ranks 5th in Indiana for aquaculture sales, *but sales figures were suppressed by the USDA in an effort to protect confidentiality.*
- The county ranks 6th in the state for sales of horses and ponies, *but sales figures were suppressed by the USDA in an effort to protect confidentiality.*
- Bartholomew County ranks eighth in the state for acreage of wheat, with 6,505.
- 49 farms sold \$426,000 of food directly to consumers. This is a 7-farm increase, and a 17% increase in direct sales over 2007 sales of \$363,000.
- Direct sales were 0.4% of farm product sales, more than the national average of 0.3%.

Jackson County highlights (Census of Agriculture, 2012):

- 744 farms, 10% less than in 2007.
- Jackson County has 184,000 acres of land in farms.
- Farmers sold \$184 million of products in 2012.
- \$77.91 million (42%) of these sales were crops.
- \$106.53 (58%) of these sales were livestock.
- The most prevalent farm size is 50 to 179 acres, with 225 farms (30%) in this category.
- The next most prevalent is 10 to 49 acres, with 204 (27%) farms.
- 39 farms (5%) are 1,000 acres or more.
- 275 farms (37%) are less than 50 acres.
- 366 farms (49%) sold less than \$10,000 in farm products.
- 182 farms (24%) sold more than \$100,000 in farm products.
- Jackson County ranks 3rd in Indiana for inventory of laying hens, *but inventory figures were suppressed by the USDA in an effort to protect confidentiality.*

- The county ranks 3rd in the state for inventory of roosters, *but inventory figures were suppressed by the USDA in an effort to protect confidentiality.*
- Jackson County ranks fifth in the state for sales of poultry and eggs, with \$80 million.
- The county ranks sixth in Indiana for inventory of pullets, *but inventory figures were suppressed by the USDA in an effort to protect confidentiality.*
- 46 farms sold \$478,000 of food directly to consumers. This is a 7-farm increase, and a 24% increase in direct sales over 2007 sales of \$384,000.
- Direct sales were 0.3% of farm product sales, the same as the national average of 0.3%.

State of Indiana highlights (Census of Agriculture, 2012):

- 58,695 farms, 4% less than in 2007.
- Indiana has 15 million acres of land in farms.
- Farmers sold \$11.2 billion of products in 2012.
- \$7.5 billion (67%) of these sales were crops, fueled by unusually high corn and soybean prices that have since declined.
- \$3.7 billion (33%) of these sales was livestock.
- The most prevalent farm size is 10 to 49 acres, with 20,770 farms (35%) in this category.
- The next most prevalent is 50 to 179 acres, with 16,396 (28%) farms.
- 3,940 farms (7%) are 1,000 acres or more.
- 27,377 farms (47%) are less than 50 acres.
- 30,346 farms (52%) sold less than \$10,000 in farm products.
- 14,313 farms (24%) sold more than \$100,000 in farm products.
- Indiana ranks 3rd in the United States for inventory of laying hens, with 26 million.
- The state ranks fourth in the country for inventory of pullets for laying flock replacement, with 7.6 million.
- Indiana ranks fifth in the country for inventory of hogs and pigs, with 3.7 million.
- The state ranks fifth in the country for acreage of soybeans, with 5.1 million.
- Indiana ranks fifth in the United States for acreage of corn, with 6 million.
- The state ranks 5th in the country for sales of hogs and pigs, with \$1.3 billion.
- Indiana ranks sixth in the country for sales of grains, oilseeds, dry beans, and dry peas, with \$7.2 billion.
- The state ranks 7th in the country for crop sales, with \$7.5 billion.
- Indiana ranks seventh in the country for inventory of turkeys, with 5.1 million.
- The state ranks ninth in the United States for sales of tobacco, with \$7.7 million.
- Indiana ranks 10th in the country for sales of agricultural products, with \$11 billion.
- Statewide vegetable sales totaled \$104 million.
- 3,673 farms sold \$27 million of food directly to consumers. This is a 3% increase in the number of farms selling direct (3,576 in 2007), and a 21% increase in direct sales over 2007 sales of \$22 million.
- Direct sales from farmers to household consumers amounted to 0.2% of farm product sales, less than the national average of 0.3%.
- If direct food sales made up a single commodity, the value of these sales would outrank the state's 11th-ranked product, fruits and nuts.
- 283 farms farm organically, with total sales of \$36 million.
- 230 farms market through community supported agriculture (CSA).
- 1,791 farms produce and sell value-added products.
- 991 farms marketed products directly to retail outlets.

- 549 farms had on-farm packing facilities.
- 5,811 farms practice rotational or management intensive grazing.
- 36 farms practiced alley cropping or silvopasture.
- 246 farms harvested biomass for use in renewable energy.

Indiana's top farm products in 2014 (Economic Research Service)

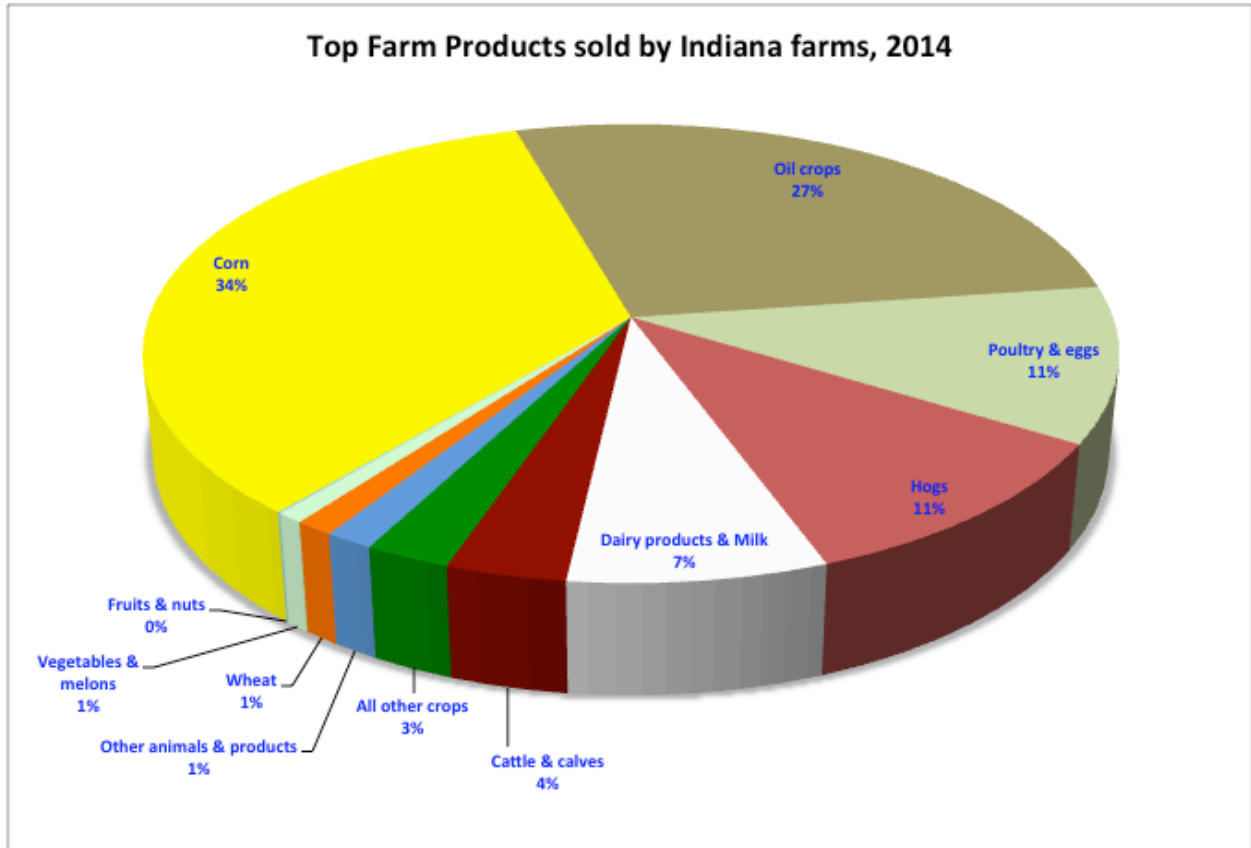
The data in the table and pie chart on next page are for the state of Indiana as a whole.

	\$ millions
Corn	4,358
Oil crops	3,442
Poultry & eggs	1,386
Hogs	1,347
Dairy products & milk	939
Cattle & calves	438
All other crops	312
Other animals & products	177
Wheat	141
Vegetables & melons	99
Fruits & nuts	10

Note also that at \$27 million, direct sales from farmers to consumers far exceed the 11th-ranking product, fruits and nuts.

Indiana's top farm products in 2014 (Economic Research Service)

See table on previous page



Source: USDA Economic Research Service

Balance of Cash Receipts and Production Costs (BEA):

Columbus Region farmers sell \$250 million of food commodities per year (1989-2013 average), spending \$220 million to raise them, for an average gain of \$30 million each year. This is an average net cash income of \$22,000 per farm. *Note that these sales figures compiled by the BEA may differ from cash receipts recorded by the USDA Census of Agriculture (above).*

Overall, farm producers earned a surplus of \$780 million by selling crops and livestock over the years 1989 to 2013. Yet farm production costs exceeded cash receipts for 7 years of that 25-year period. Moreover, 43% of the region's farms reported that they lost money in 2012 (Ag Census). While Columbus Region farmers and ranchers earned \$70 million more by selling commodities in 2013 than they earned in 1969 (in 2013 dollars), this growth was fueled by unusually high grain prices, which have since subsided.

Farmers and ranchers earn another \$11 million per year of farm-related income — primarily custom work, and rental income (25-year average for 1989-2013). Federal farm support payments averaged \$14.5 million per year for the region for the same years.

The region's consumers:

See also information covering low-income food consumption and food-related health conditions, page 1-2 above.

Columbus Region consumers spend \$344 million buying food each year, including \$214 million for home use. Most of this food is produced outside the region, so Columbus Region consumers spend about \$310 million per year buying food sourced far away. Only \$904,000 of food products (0.3% of farm cash receipts and 0.2% of the region's consumer market) are sold by farmers directly to consumers.

Estimated change in net assets (that is, assets minus liabilities) for all region households combined was a gain of \$705 million in 2013 (BLS). This was a substantial improvement over the loss suffered in 2011.

Farm and food economy summary:

Farmers earn \$30 million each year producing food commodities, collect \$14.5 million in federal payments, and spend more than \$140 million buying inputs sourced outside of the region. Even when farmers make money, these input purchases result in substantial losses to the region as a whole. Overall, farm production creates a loss of \$95 million to the region.

Meanwhile, consumers spend \$310 million buying food from outside. Thus, total loss to the region is more than \$400 million (\$95 million plus \$310 million) of potential wealth *each year*. This loss amounts to more than 150% of the value of all food commodities raised in the region.

Columbus Region: markets for food eaten at home (2013):

Columbus Region residents purchase \$344 million of food each year, including \$214 million to eat at home. Home purchases break down in the following way:

	<i>millions</i>
Meats, poultry, fish, and eggs	\$ 45
Fruits & vegetables	40
Cereals and bakery products	29
Dairy products	23
“Other,” incl. sweets, fats, & oils	76

If Columbus Region residents purchased \$5 of food for home use each week directly from farmers in the region, this would generate \$32 million of income for the region’s farmers.

Bartholomew County: markets for food eaten at home (2013):

Bartholomew County residents purchase \$222 million of food each year, including \$138 million to eat at home. Home purchases break down in the following way:

	<i>millions</i>
Meats, poultry, fish, and eggs	\$ 29
Fruits & vegetables	26
Cereals and bakery products	19
Dairy products	15
“Other,” incl. sweets, fats, & oils	49

Jackson County: markets for food eaten at home (2013):

Jackson County residents purchase \$122 million of food each year, including \$76 million to eat at home. Home purchases break down in the following way:

	<i>millions</i>
Meats, poultry, fish, and eggs	\$ 16
Fruits & vegetables	14
Cereals and bakery products	10
Dairy products	8
“Other,” incl. sweets, fats, & oils	27

Indiana: markets for food eaten at home (2013):

Indiana residents purchase \$18 billion of food each year, including \$11 billion to eat at home. Home purchases break down in the following way:

	<i>millions</i>
Meats, poultry, fish, and eggs	\$ 2,401
Fruits & vegetables	2,138
Cereals and bakery products	1,566
Dairy products	1,238
“Other,” incl. sweets, fats, & oils	4,071

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>

For more information:

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

<http://www.crcworks.org/?submit=fffc>

To read the original *Finding Food in Farm Country* study from Southeast Minnesota (written for the Experiment in Rural Cooperation): <http://www.crcworks.org/ff.pdf>

For further information: <http://www.crcworks.org/>

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