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Tools for Community Self-determination

Eastern Kaw River Region (Kansas) Local Farm & Food Economy

Highlights of a data compilation
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DISCUSSION DRAFT

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*Eastern Kaw River Region includes Douglas, Jackson, Johnson, Jefferson,
Leavenworth, Shawnee, & Wyandotte Counties*

Eastern Kaw River Region (Bureau of Economic Analysis & Bureau of Labor Statistics, 2006)

1 million residents receive \$42 billion income annually (2006), and pay \$728 million in taxes.

The region's farms (Agricultural Census, 2002)

Land:

- 5,831 farms. This is 9% of Kansas' total.
- This is 3% fewer farms than in 1997.
- 297 (5%) of these are 1,000 acres or more.
- 3,804 (65%) farms are between 10 and 179 acres.
- Average farm size is 239 acres, 33% of the state average.
- The region has 1.4 million acres of land in farms.
- This amounts to 3% of the state's farmland.
- 622,000 acres of harvested cropland.
- 225 farms (4%) have a total of 23,000 acres of irrigated land.
- Average value of land and buildings per farm is \$339,000. This is 67% of the state average.

Sales:

- \$160 million of crops and livestock are sold (2002).
- Total production expenses are \$165 million.
- Sales are 24% less than the 1997 level of \$211 million.
- 2,407 (41%) of the region's farms sell less than \$2,500 of products.
- 333 farms (6%) sell more than \$100,000 of products.
- \$81 million of crops are sold (51% of sales).
- 53% of all farms sell livestock, for a total of \$79 million of products sold (49% of sales).
- 115,000 head of cattle and calves are sold, leaving an inventory of 182,000.
- 67% of the region's farms sell less than \$10,000 of products per year (total of \$9.5 million sales, only 6% of the region's sales.)

- 117 farms (2%) with sales over \$250,000 sell 44% of the region's products — valued at a total of \$70 million.
- The number of farms/ranches selling livestock, poultry and related products fell 19% from 1997 to 2002 (3,812 to 3,089), while the amount of livestock products sold decreased 15%, from \$92 million to \$79 million.
- 24,700 hogs and pigs were sold, leaving an inventory of 12,000.
- 59% of region farms reported net losses in 2002.
- The region's farmers combined collected an average of \$25 million of federal subsidies from 1998-2006 (Bureau of Economic Analysis).

Cattle & Dairy:

- 3,000 ranches and farms hold an inventory of 182,000 cattle and calves.
- The number of farms selling cattle and calves fell 23%, from 3,430 to 2,632, while sales fell only 6%, from \$69 million to \$65 million, from 1997-2002.
- 115,000 cattle were sold in 2002, a decline of 11% from 129,000 sold in 1997.
- 16% of Eastern Kaw River region's cattle inventory lives on 39 ranches (1%) having 500 or more cattle.
- 20% of the region's cattle ranches hold fewer than 10 animals.
- The number of farms selling fewer than 10 cattle fell 78% from 4,014 to 846 (1997 to 2002).
- 89 farms sold \$10 million of milk and dairy products in 2002, down 30% from 1997.
- The number of milk cows fell 46% from 8,500 in 1997 to 4,600 in 2002, while the number of dairy farms declined 34% from 157 to 104 farms.
- 3,321 farms produce 400,000 tons of forage crops (hay, etc.) on 227,000 acres (37% of harvested cropland), selling \$6.8 million.

Distribution of cattle inventory

Animals	Farms	Number
1 to 9	587	1,866
10 to 19	521	7,147
20 to 49	981	30,881
50 to 99	491	33,797
100 to 199	258	31,148
200 to 499	140	40,019
500 or more	39	30,046

Other livestock & animal products:

- 186 farms sold \$1.8 million of hogs and pigs, a decline of 62 farms (25%), and a 71% decrease in sales (from \$6.4 million) from 1997 to 2002.
- 151 farms sold \$129,000 of poultry and eggs.
- 313 farms sold \$909,000 of horses.

Grains, edible beans, and dry peas:

- 55% of the region's land is planted to corn and soybeans.
- \$50 million of grains (62% of crop sales and 31% of all sales) is sold from 1,475 farms.
- 8 million bushels of corn were produced on 139,000 acres (22% of harvested cropland) by 863 farms.
- 4.4 million bushels of soybeans were raised on 201,000 (32% of harvested land) acres on 1,206 farms.

- 489 farms produced 1.3 million bushels of (primarily winter) wheat on 31,000 acres.
- Grain sorghum was raised on 21,000 acres by 265 farms, with production of 1.3 million bushels.

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

- 94 farms work 754 acres to sell \$1.4 million of vegetables.
- Most vegetable sales are from Douglas, Shawnee, and Wyandotte Counties.
- This is 29% of Kansas farms that raise vegetables.
- This is also 26% of the state's vegetable sales.
- 9 farms raise 6 acres of sweet potatoes, more than half of Kansas farms producing this crop.

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

- 50 of the region's farms sell \$375,000 of fruits.
- The region has 78 farms with a total of 362 acres of orchards.

Nursery and Greenhouse plants

- 97 farms sell \$17 million of nursery and greenhouse products (10% of region's farm sales).
- 41 farms sell \$94,000 of Christmas trees, mostly from Douglas and Leavenworth counties.

Direct and organic sales:

- 307 farms sell \$1.7 million of food directly to consumers. This is a 6% increase in the number of farms (290 in 1997) selling direct, and a 60% increase of direct sales over \$1 million in 1997.
- Eastern Kaw River region farmers sell 19% of Kansas direct sales, although direct sales amount to only 1% of the region's total farm sales.
- 32 region farms sold organic foods (\$122,000 sales).
- This is 5% of Kansas farmers' organic sales.

County Highlights (Agriculture Census 2002)

Douglas County

- Sixth most important county in Kansas for Christmas tree sales, with \$56,000.
- Ranks 7th in Kansas for nursery & greenhouse crop sales at \$2.7 million.
- Ranks 7th in state for fruit and nut sales with \$94,000.
- Ninth largest vegetable and potato sales in Kansas with \$374,000.
- Nearly 40% of farms are 50-179 acres.
- 60,000 of Douglas County's 98,000 harvested acres are devoted to corn and soybean production.
- Forage crops are produced on 31,000 acres.
- 5,000 acres are devoted to wheat.
- County ranches raise 26,369 cattle and calves.
- Cattle sales amount to \$8.6 million per year.
- Grain sales total \$8.5 million.
- Dairy sales total \$2.3 million.
- Sales of nursery and greenhouse crops total \$2.7 million.
- \$1 million of forage crops are sold.

Jackson County

- Nearly 40% of farms are 50-179 acres.
- 64% of farm sales involve livestock or their products.
- Sales of cattle and calves total \$16 million.
- Grain sales total 7.9 million.
- \$1.8 million of forage crops are sold.
- Dairy sales total \$1.4 million.
- 60,000 acres are devoted to corn and soybeans.
- 52,000 acres are planted in forage crops.
- Sorghum is planted on 5,900 acres.
- Wheat is raised on 5,500 acres.
- County ranches held an inventory of 46,000 cattle.
- Nearly 2,000 hogs are held in inventory.

Jefferson County

- More than 40% of farms are 50-179 acres.
- Ranks fourth in Kansas in fruit and nut sales with \$176,000.
- Cattle sales total \$19 million.
- Grain sales total \$11 million.
- \$1.4 million of dairy products are sold.
- Johnson county ranchers hold an inventory of 41,000 cattle and calves.
- 80,000 acres of land are devoted to corn and soybean production.
- Forage crops are grown on 42,000 acres of land.
- Sorghum is raised on 4,200 acres.
- Wheat is produced on 3,500 acres.

Johnson County

- 250 of the county's 659 farms are 10-49 acres.
- 200 farms are 50-179 acres.
- 320 farms have less than \$2,500 in sales.
- 16 farms sell more than \$250,000.
- Ranks first in Kansas for nursery and greenhouse crop sales with \$11.4 million.
- Ranks first in Kansas for sod acreage.
- Ranks sixth in the state for horse and pony inventory.
- Ranks ninth in state for number of laying hens.
- Cattle and calf sales total \$7 million.
- Dairy sales total \$1.4 million.
- \$4.7 million of grains are sold.
- Forage is produced on 23,800 acres, with sales totaling \$1 million.
- 35,000 acres are devoted to corn and soybean production.
- 24,000 acres are planted in forage crops.
- Wheat is raised on 5,500 acres.

Leavenworth County

- 770 of the county's 1,094 farms are between 10 – 179 acres.
- Ranks 7th in Kansas for sales of Christmas trees, selling \$38,000.
- Ranks 8th in state for sales of horses, with \$238,000.
- Cattle and calf sales total \$6.8 million.
- Inventory of cattle and calves is 27,000.
- \$6.1 million of grain is sold.
- \$3.5 million of milk and other dairy products are sold.
- \$1.2 million of forage crops are sold.
- 45,000 acres are devoted to corn and soybean production.
- 38,000 acres are planted in forage crops.
- Wheat is planted on 6,000 acres.

Shawnee County

- 600 of the Shawnee County's 903 farms are less than 180 acres.
- Two-thirds of farm sales are crop sales.
- Ranks first in state in number of ducks, and fourth in pigeons.
- Ranks 8th in Kansas for vegetable sales, worth \$445,000.
- County farmers sell \$11.7 million of grain.
- Cattle and calf sales total \$6 million.
- Nursery and greenhouse crop sales total \$1.5 million.
- \$1.5 million in forage crops are sold.
- 64,000 acres are planted in corn and soybeans.
- Forage crops are planted on 37,000 acres.
- 6,300 acres are planted to sorghum.
- Wheat is raised on 5,600 acres.
- 19,000 cattle are held in inventory.

Wyandotte County

- 110 (68%) of the county's 161 farms are less than 49 acres in size.
- Government payments are relatively unimportant, with a total of \$52,000 in 2002 for all farms.
- 79% of all sales are crop sales.
- Ranks ninth in sales of fruit and nuts with \$88,000.
- \$1.2 million of nursery and greenhouse crops are sold.
- Sales of grains are not reported by the USDA to protect confidentiality, but amount to less than \$600,000.
- An inventory of 1,916 cattle and calves are held.
- Forage crops are raised on 3,495 acres.
- Corn and soybeans are planted on 3,700 acres.
- 88 farms (54%) sell less than \$2,500.

State of Kansas (2002)

- Ranks 1st in U.S. for acres devoted to grain, with 8 million.
- First in nation for sorghum acreage, with 2.8 million acres.
- Ranks 2nd in nation for inventory of cattle and calves, with 6.3 million.
- Second in U.S. in cattle and calf sales, selling \$5.7 billion.
- Ranks 3rd in nation for sales of livestock and related products, with \$6.3 billion in sales.
- Fifth in U.S. for sales of farm products, with \$8.8 billion.
- Ranks 5th in acreage devoted to forage crops, with 3 million acres.
- Sixth in nation for sales of grains, at \$2.1 billion.
- Ranks 7th in U.S. for number of farm-raised pheasants, with 99,322.
- Ninth in nation for inventory of hogs and pigs, with 1.5 million.
- Tenth in U.S. for acreage of corn, with 2.5 million acres.
- Eleventh in nation for acreage of soybeans, with 2.5 million acres.

Top products sold by Kansas farmers in 2006 (USDA Economic Research Service)

	\$ millions
Cattle and calves	6,247
Wheat	1,273
Corn	861
Soybeans	550
Hogs	374
Sorghum grain	357
Dairy products	296
Hay	133
Greenhouse & nursery	53
Sunflower	33
Cotton	27
Potatoes	19
Chickens & eggs	12

Other products listed in the state's top 25: turkeys, mushrooms, rye, farm chickens, sheep and lambs, dry beans, pecans, oats, barley, honey, aquaculture, & wool.

Balance of Cash Receipts and Production Costs (BEA):

Eastern Kaw River region ranchers and farmers sell \$227 million of food commodities per year (1998-2006 average), spending \$275 million to raise them, for an average loss of \$48 million each year. Note that these figures compiled by the BEA are far higher than those recorded by the USDA Agriculture Census (above).

Overall, farm producers have spent \$430 million more producing crops and livestock than they have earned from commodity markets since 1998. Total cash flow for all farmers in the region has been

negative each year except one, since 1988. Eastern Kaw River region farmers and ranchers earned \$51 million less by selling commodities in 1969 than they earned in 2006 (in 2006 dollars).

59% of the region's farms and ranches reported they lost money in 2002 (Ag Census).

Eastern Kaw River farmers spend about \$95 million each year buying farm inputs that are sourced outside the region.

Farmers and ranchers earn another \$31 million per year of farm-related income — primarily custom work, and rental income (nine year average for 1998-2006). Federal farm support payments averaged about \$25 million per year over that time span. These two sources of income, on average, overcome the losses farmers endure in farm production, yet these losses mean that in any given year any farm may be at risk.

The region's consumers:

Eastern Kaw River region consumers spend \$2.2 billion buying food each year, including \$1.2 billion for home use. Most of this food is produced outside the region. Only \$1.7 million of food products (1% of farm cash receipts) are sold by farmers directly to consumers.

Bureau of Labor Statistics data (drawn from consumer surveys) show that the average household in the Midwest has been taking on considerable debt since 1990 that has not been repaid. Since that year, the average household has lost \$50,000 in net worth, with the worst year being 2003, when net worth fell \$20,000 in a single year.

Estimated loss in net assets for all households in the region combined was \$1.2 billion in 2006 alone (BLS).

Farm and food economy summary:

Farmers spend \$42 million more each year producing food commodities than they earn by selling them, spending \$95 million buying inputs from external suppliers, for a total outflow of \$137 million from the region's farms.

Meanwhile, consumers spend \$2 billion buying food from outside. Thus, total loss to the region is \$2.1 billion of potential wealth *each year*. This loss amounts to 7 times the value of all food commodities raised in the region.

Eastern Kaw River region: markets for food eaten at home (2004):

	<i>millions</i>
Meats, poultry, fish, and eggs	\$ 278
Fruits & vegetables	200
Cereals and bakery products	163
Dairy products	137
“Other,” incl. sweets, fats, & oils	449

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/locales.pdf>.

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>.

To view a PowerPoint presented by Ken Meter at a presentation to the Home Grown Economy forum sponsored by Rep. Collin Peterson, chair of the U.S. House Agriculture Committee, on April 2, 2008: <http://www.crcworks.org/petersonKM08.pdf>.

To get a brief list of essential facts about the national food economy:

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

To link to further analysis of local economies in the U.S.: <http://www.crcworks.org/econ.html>.

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