ECONOMIC IMPACT OF AGRICULTURE

Flathead County



January 2021

Flathead County is a heavily populated county in the northwestern part of the state, and contains the town of Kalispell. Only about 5% of land in Flathead County is classified as farm land.

Overview (2017 Data)

Population	102,106
County Size (acres)	3,255,781
Land in Farms (%)	5.6
Number of Farms	1,146
Median Farm Size (acres)	30
Average Farm Size	159

Source: Census of Agriculture: Table 1: County Summary Highlights: 2017

Farm Revenue

Farm revenue (which includes the market value of products sold, government payments, and farm-related income) were over \$41 million while production expenses were over \$43 million.

Government payments were 4.4% of farm revenues.

Market Value of Products Sold	\$35,854,000
Government Payments	\$1,823,000
Farm-Related Income	\$3,443,000
Total Farm Production Expenses	\$43,798,000
Net Cash Farm Income	-\$2,679,000

Source: Census of Agriculture: Tables 2, 3, 4, 5 and 6: 2017

Taxation

The market value of all property in Flathead County was approximately \$18 billon million in 2019. The taxable value assigned by the Montana Department of Revenue was \$1 million. Agricultural Property (as

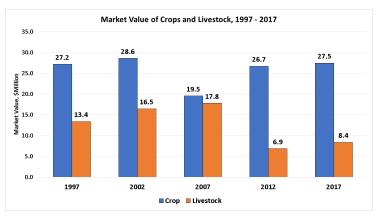
defined by Montana Department of Revenue as Class 3 property) comprised 0.43% of the county's taxable value.

Property Tax		
Summary	2019	2014
Market Value of All	\$18,886,897,364	\$10,504,229,394
Property		
Taxable Value of	\$281,852,110	\$257,310,014
All Property		
Taxable Value of	\$1,222,129	\$1,268,274
Agricultural		
Property		
Ag Taxable Value	0.43%	0.49%
as % of All Property		

Source: Montana Dept. of Rev. Montana Taxes by County in 2018 and Montana Taxes by County in 2014

Market Value of Crops and Livestock

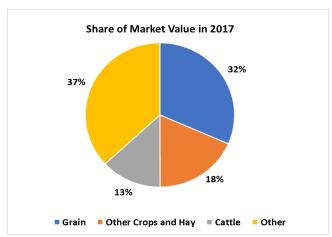
After adjusting for inflation, the market value of crops increased by 1%, while the market value of livestock decreased by 37%, from 1997 to 2017.



Sources: <u>Census of Agriculture</u>: Table 1: County Summary Highlights: 2017 and <u>St. Louis Fed Producer Price Index</u>

Crops and Livestock

Other (37%) and Grain (32%) comprised 69% of total crop and livestock sales in 2017.



Source: Census of Agriculture: Table 2: County Summary Highlights: 2017

Farm Size by Acres

The percentage of smaller farms, less than 500 acres, and larger farms, 500 acres or more, were unchanged from 2012 to 2017.

	2017		2017		2012	
	Number		Number			
Farm Size by Acres	of Farms	%	of Farms	%		
1 to 9	229	20	156	15		
10 to 49	513	45	469	45		
50 to 179	225	20	226	22		
180 to 499	107	9	119	11		
500 to 999	23	2	31	3		
1,000 or more	49	4	34	3		
TOTAL	1,146	100	1,035	100		

Source: Census of Agriculture: Table 1: County Summary Highlights: 2017

Farm Size by Sales

The proportion of total sales from the smallest farms with less than \$100,000 in sales and the largest farms with sales of \$100,000 were virtually unchanged from 2012 to 2017.

	2017	,	2012	
Farm Size by	Number		Number	
Sales	of Farms	%	of Farms	%
Less than 2,500	656	57	555	54
2,500 to 4,999	133	12	124	12
5,000 to 9,999	100	9	106	10
10,000 to 24,999	82	7	89	9
25,000 to 49,999	56	5	46	4
50,000 to 99,999	45	4	44	4
100,000 or more	74	6	71	7
TOTAL	1,146	100	1,035	100

Source: Census of Agriculture: Table 1: County Summary Highlights: 2017

Tillage and Land Use

The percentage of farms using no till or cover crops increased, while the percentage of farms using intensive tillage decreased from 2012 to 2017.

	2017		2012	
	Number		Number	
Tillage	of Farms	%	of Farms	%
No tillage	62	5	37	4
Reduced tillage	31	3	34	3
Intensive tillage	118	10	184	18
Cover crops	31	3	17	2
TOTAL FARMS	1,146		1,035	

Source: Census of Agriculture: Table 41 Land Use Practices

Producer Profile

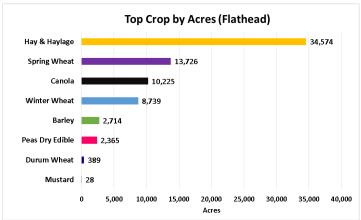
The county producer population was older than the Montana producer population. Thirty-one percent of county producers were under 55 years of age, while 42% were over 65 years of age. Thirty-four percent of the Montana producer population were under 55, while 36% were over 65 years of age. Fifty-eight percent of producers in the county were males, while 60% of Montana producers were males. Farming was the primary occupation for 34% of county producers, while farming was the primary occupation for 50% of Montana producers.

	County		State	
	Number of		Number of	
Characteristics	Producers	%	Producers	%
Age				
18 – 25	1	0	570	1
25 to 34	114	6	3,285	7
35 to 44	230	12	5,179	11
45 to 54	259	13	7,309	15
55 to 64	529	27	13,838	29
65 to 74	552	28	11,469	24
75 and older	263	13	5,587	12
Sex			-	
Male	1,137	58	28,563	60
Female	817	42	18,673	40
Primary Occupation				
Yes	670	34	23,847	50
No	1,284	66	24,314	50
TOTAL PRODUCERS	1,954	100	48,161	100

Source: <u>Census of Agriculture</u>: Table 45 Selected Operation and Producer Characteristics

Top Crops by Acres

The top crops were hay and haylage, spring wheat, canola, winter wheat, barley, peas dry edible, durum wheat, and mustard.



Source: Census of Agriculture: Table 1: County Summary Highlights: 2017

Top Livestock

The top livestock were cattle, sheep, hogs, and poultry (chickens and turkeys).

Livestock	Number of Hea
Cattle	8,441
Chicken-Layers	5,334
Hogs	1,940
Sheep	718
Chicken-Broilers	328
Turkeys	97

Source: <u>Census of Agriculture</u>: Tables 11 (Cattle),

13 (Sheep) and 19 (Poultry)

Employment Impact

Agricultural production employed 1,502 workers, or 3% of the county's labor force. According to IMPLAN, economic impact model, 827 of the workers were directly employed in production agriculture. An additional 540 workers were employed in businesses supporting agricultural production, such as feed and fertilizer dealers, and another 135 workers were employed in other related businesses, such as grocery and drugs stores. For every 10 jobs on farms and ranches, 8 additional jobs are generated in the county.

Impact Type	Labor Force	Impact Multipliers
County Labor Force	46,754	
Direct Impact	827	
Indirect Impact	540	0.65
Induced Impact	135	0.16
Total Impact	1,502	0.82
Agriculture's Share (%)	3	

Source: Bureau of Labor Statistics, www.bls.gov/#cntyaa and IMPLAN Estimates

Value Added Impacts

Farms and ranches generated \$43.6 million of value-added, or 1% of the county's total gross domestic product of \$4,089 million in 2017. According to IMPLAN, \$15.7 million was directly contributed by farmers and ranchers. An additional \$19.5 million was generated by businesses supporting agricultural production and \$8.4 million was generated by other related businesses. Each dollar of value-added in agriculture by a farmer or rancher contributes an additional \$1.78 of value-added in other sectors of

the county's economy. This significant contribution to the local economy is because Kalispell is an economic hub for the north western region.

Impact Type	Value-Added (\$1 million)	Impact Multipliers
County GDP*	4,089.0	
Direct Impact**	15.7	
Indirect Impact**	19.5	1.24
Induced Impact**	8.4	0.54
Total Impact**	43.6	1.78
Agriculture's Share (%)	1	

Sources: * St. Louis Federal Reserve Bank, ** IMPLAN Estimates

References

 2017 Census of Agriculture, National Agricultural Statistics Service, Montana, State and County Data, Volume 1, Geographic Area Series, part 26 https://www.nass.usda.gov/Publications/AgCensus/2017/Full-Report/Volume 1, Chapter 1 State Level/Montana/mtv1.pdf

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