# ECONOMIC IMPACT OF AGRICULTURE Mineral County

MONTANA STATE UNIVERSITY EXTENSION



January 2021

Mineral County is a rural sparsely populated county located in the far western portion of the state, bordering Idaho to the west. Only about 2% of land in Mineral County is classified as farm land.

<b>Overview</b> (2017 Data)	
Population	4,316
County Size (acres)	780,556
Land in Farms (%)	2.4
Number of Farms	93
Median Farm Size (acres)	67
Average Farm Size (acres)	198
Source: <u>Census of Agriculture</u> : Table 1: Co Highlights: 2017	unty Summary

#### **Farm Revenue**

Farm revenue (which includes the market value of products sold, government payments, and farm-related income) were slightly over \$1 million while production expenses were \$1.5 million. Government payments were 7% of farm revenues.

Market Value of Products Sold	\$604,000
Government Payments	\$82,000
Farm-Related Income	\$493,000
Total Farm Production Expenses	\$1,520,000
Net Cash Farm Income	\$(341,000)

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

### Taxation

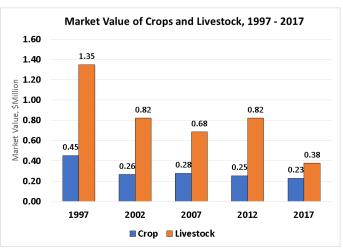
The market value of all property in Mineral County was approximately \$535 million in 2019. The taxable value assigned by the Montana Department of Revenue was \$11 million. Agricultural Property (as defined by Montana Department of Revenue as Class 3 property) comprised 0.52% of the county's taxable value.

Property Tax	2019	2014
Summary		
Market Value of All	\$535,719,967	\$804,790,789
Property		
Taxable Value of All	\$11,216,877	\$10,172,375
Property		
Taxable Value of	\$58,477	\$64,590
Agricultural Property		
Ag Taxable Value	0.52%	0.63%
as % of All Property		

Source: Montana Dept. of Rev. Montana Taxes by County in  $\underline{2018}$  and Montana Taxes by County in  $\underline{2014}$ 

#### Market Value of Crops and Livestock

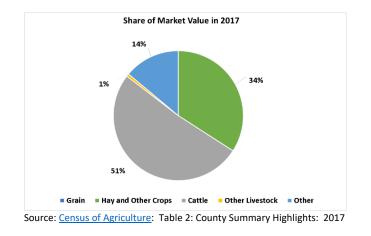
After adjusting for inflation, the market value of crops decreased by 50%, while the market value of livestock decreased by 72%, from 1997 to 2017.



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

#### **Crops and Livestock**

Cattle (51%) and hay (34%) comprised 85% of total crop and livestock sales in 2017.



#### Farm Size by Acres

The percentage of smaller farms, less than 500 acres, decreased from 91% to 85%, while the percentage of larger farms, 500 acres or more, increased from 9% to 15% from 2012 to 2017.

	2017		2012	
	Number		Number	
Farm Size by Acres	of Farms	%	of Farms	%
1 to 9	10	11	7	7
10 to 49	31	33	41	43
50 to 179	33	35	18	19
180 to 499	5	5	20	21
500 to 999	10	11	7	7
1,000 or more	4	4	2	2
TOTAL	93	100	95	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 \$50,000 in sales increased from 93% to 100% from 2012 to 2017. Mineral County only had seven farms in 2012 and no farms in 2017 with sales over \$50,000.

	2017		2012	
Farm Size by	Number		Number	
Sales	of Farms	%	of Farms	%
Less than 2,500	51	55	67	71
2,500 to 4,999	15	16	14	15
5,000 to 9,999	11	12	4	4
10,000 to 24,999	7	8	3	3
25,000 to 49,999	9	10	0	0
50,000 to 99,999	0	0	5	5
100,000 or more	0	0	2	2
TOTAL	93	100	95	100

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

### **Tillage and Land Use**

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

	2017		2012	
	Number		Number	
Tillage	of Farms	%	of Farms	%
No tillage	7	8	1	1
Reduced tillage	0	0	2	2
Intensive tillage	9	10	7	7
Cover crops	5	5	1	1
TOTAL FARMS	93		95	

Source: Census of Agriculture: Table 41 Land Use Practices

## **Producer Profile**

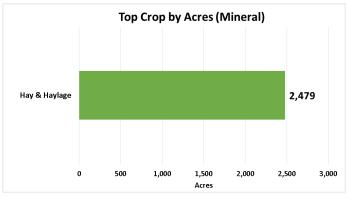
The county producer population was about the same age as the Montana producer population. Thirty-six percent of county producers were under 55 years of age, while 39% were over 65 years of age. Thirty-four percent of the Montana producer population were under 55, while 36% were over 65 years of age. Sixty-three percent of producers in the county were males, while 60% of Montana producers were males. Farming was the primary occupation for 20% of county producers, while farming was the primary occupation for 50% of Montana producers.

	County		State	
Characteristics	Number of Producers	%	Number of Producers	%
Age				
18 – 25	0	0	570	1
25 to 34	6	3	3,285	7
35 to 44	13	7	5,179	11
45 to 54	45	26	7,309	15
55 to 64	39	22	13,838	29
65 to 74	52	30	11,469	24
75 and older	17	10	5,587	12
Sex	-	_		
Male	111	63	28,563	60
Female	65	37	18,673	40
Primary Occupation				
Yes	35	20	23,847	50
No	141	80	24,314	50
TOTAL PRODUCERS	176	100	48,161	100

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

### **Top Crop by Acres**

The top crop was hay and haylage.



Source: <u>Census of Agriculture</u>: Table 1: County Summary Highlights: 2017

#### **Top Livestock**

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

Livestock	Number of Head	
Cattle	438	
Chickens-Layers	192	
Hogs	7	
Source: Census of Agriculture: Tables 11 (Cattle).		

and 19 (Poultry)

#### **Employment Impact**

Agricultural production employed 31 workers, or 2% of the county's labor force. According to IMPLAN, economic impact model, 15 of the workers were directly employed in production agriculture. An additional 15 workers were employed in businesses supporting agricultural production, such as feed and fertilizer dealers, and another 1 worker were employed in other related businesses, such as grocery and drugs stores. For every 10 jobs on farms and ranches, 10 additional jobs are generated in the county.

Impact Type	Labor Force	Impact Multipliers
County Labor Force	1,685	
Direct Impact	15	
Indirect Impact	15	1.00
Induced Impact	1	0.07
Total Impact	31	1.07
Agriculture's Share (%)	2	
Source: Bureau of Labor Statistics, www.bls.gov/#cntyaa.and IMPLAN Estimates		

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#### **Value Added Impacts**

Farms and ranches generated \$1.2 million of valueadded, or 1% of the county's total gross domestic product of \$96 million in 2017. According to IMPLAN, \$0.3 million was directly contributed by farmers and ranchers. An additional \$0.9 million was generated by businesses supporting agricultural production and by other related businesses. Each dollar of valueadded in agriculture by a farmer or rancher contributes an additional \$3.07 of value-added in other sectors of the county's economy. Please note: there is minimal agricultural production in Mineral County; hence these IMPLAN estimates must be used with caution.

Impact Type	Value-Added (\$1 million)	Impact Multipliers
County GDP*	96.0	
Direct Impact**	0.3	
Indirect Impact**	0.9	3.00
Induced Impact**	0.0	0.07
Total Impact**	1.2	3.07
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 <u>https://www.nass.usda.gov/Publications/AgCensus/2017/Full</u> <u>Report/Volume 1, Chapter 1 State Level/Montana/mtv1.p</u> <u>df</u>
- Dept. of Revenue "Montana Taxes by County in 2014" <u>https://mtrevenue.gov/wp-</u> content/uploads/2018/01/2014-Taxes-by-County.pdf

- Dept. of Revenue "Montana Taxes by County in 2018" <u>https://mtrevenue.gov/wp-</u> content/uploads/2020/02/2018-Taxes-by-County.pdf
- St. Louis Federal Reserve Bank (2017). Current dollar gross domestic product by county for Montana, retrieved from <u>https://fred.stlouisfed.org/release/tables?rid=397&</u> <u>eid=1062609&od=2017-01-01#</u>
- St. Louis Federal Reserve Bank (2020). Producer price index for all commodities, St. Louis Federal Reserve Bank, retrieved from <u>https://fred.stlouisfed.org/series/PPIACO</u>
- Bureau of Labor Statistics (2017), Montana labor force, retrieved from <a href="https://bls.gov/lau/#cntyaa">https://bls.gov/lau/#cntyaa</a>

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