The Economic Importance of Food and Fiber

A Spotlight on Burke County, Georgia

Prepared for
Burke County Cooperative Extension
May, 2009

by:
The Center for Agribusiness and Economic Development
College of Agricultural and Environmental Sciences
The University of Georgia
Primary data sources: U.S. Census Bureau, decennial censuses & estimate; CAED (Center for Agribusiness & Economic Development).
Population Change: 2000-2008

Burke Co. = 2.2%
Avg. GA County = 11.2%
GA = 18.3%
US = 8.0%

Primary data source: U.S. Census Bureau (3/09)
% of Land in Cropland & Timberland

Primary data sources:
U.S. Census of Agriculture, 2007
USDA Forest Service, 2007

Graphic by Center for Agribusiness & Economic Development, UGA
Components of 2008 Property Tax Gross Digest
Burke County

- Ag-Preferential-Environ-Conserv 15.6%
- Residential 12.7%
- Heavy Equipment 0.001%
- Timber * 0.5%
- Mobile Home 0.6%
- Motor Vehicle 2.8%
- Commercial 3.7%
- Industrial 0.9%
- Public Utility 63.2%

40% Assessment Value of Property
Gross Digest = $1,759,086,413
Homestead & Property Exemptions = $150,777,976
Net M&O Digest = $1,608,308,437
Value of exempt property = $81,335,043

* Timber taxed at 100% based on previous year sales

Primary data source:
GA Dept. of Revenue
## County Property Tax Digest Comparisons: 2008

<table>
<thead>
<tr>
<th>County</th>
<th>% Residential</th>
<th>% Agricultural</th>
<th>% Commercial</th>
<th>% Industrial</th>
<th>% Utility</th>
<th>% Motor Veh</th>
<th>% Mobile Home</th>
<th>% Timber</th>
</tr>
</thead>
<tbody>
<tr>
<td>BURKE</td>
<td>12.7</td>
<td>15.6</td>
<td>3.7</td>
<td>0.9</td>
<td>63.2</td>
<td>2.8</td>
<td>0.6</td>
<td>0.52</td>
</tr>
<tr>
<td>EMANUEL</td>
<td>31.5</td>
<td>34.8</td>
<td>11.8</td>
<td>5.3</td>
<td>3.5</td>
<td>9.9</td>
<td>1.7</td>
<td>1.55</td>
</tr>
<tr>
<td>JEFFERSON</td>
<td>27.3</td>
<td>37.4</td>
<td>9.6</td>
<td>11.7</td>
<td>4.6</td>
<td>6.8</td>
<td>1.7</td>
<td>0.86</td>
</tr>
<tr>
<td>JENKINS</td>
<td>23.3</td>
<td>53.6</td>
<td>6.0</td>
<td>1.8</td>
<td>5.5</td>
<td>6.8</td>
<td>1.2</td>
<td>1.86</td>
</tr>
<tr>
<td>RICHMOND</td>
<td>46.1</td>
<td>0.9</td>
<td>34.1</td>
<td>9.2</td>
<td>2.5</td>
<td>6.7</td>
<td>0.5</td>
<td>0.03</td>
</tr>
<tr>
<td>SCREVEN</td>
<td>31.2</td>
<td>42.6</td>
<td>7.8</td>
<td>5.0</td>
<td>4.2</td>
<td>6.9</td>
<td>1.0</td>
<td>1.33</td>
</tr>
<tr>
<td>Avg. GA Co.</td>
<td>42.3</td>
<td>24.6</td>
<td>12.6</td>
<td>6.9</td>
<td>4.8</td>
<td>7.0</td>
<td>1.0</td>
<td>0.72</td>
</tr>
</tbody>
</table>

Primary data source: GA Dept. of Revenue
Revenue : Expenditure Ratios
$ of Revenue for Each $ of Expenditure

<table>
<thead>
<tr>
<th>Category</th>
<th>Cherokee</th>
<th>Jones</th>
<th>Carroll</th>
<th>Oconee</th>
<th>US Avg</th>
</tr>
</thead>
<tbody>
<tr>
<td>Residential</td>
<td>$0.64</td>
<td>$0.87</td>
<td>$0.83</td>
<td>$0.90</td>
<td>$0.87</td>
</tr>
<tr>
<td>Commercial</td>
<td>$1.17</td>
<td>$1.25</td>
<td>$1.93</td>
<td>$1.93</td>
<td>$1.93</td>
</tr>
<tr>
<td>Farm/Forest</td>
<td>$1.01</td>
<td>$1.18</td>
<td>$1.17</td>
<td>$1.17</td>
<td>$1.17</td>
</tr>
</tbody>
</table>

Agriculture in Georgia

- Georgia's 2008 Farm Gate Value was $11.9 billion. Adding the value of landscape services increased the total agricultural production value to $14 billion.

- Total food and fiber production and directly related businesses account for a $63 billion output impact on Georgia's $771 billion economy.
Production Agriculture: 2008

Georgia Total Agricultural Production Value
$11.9 Billion

2008 Farm Gate Value by County in Millions of Dollars

- Landscape services: 15.4%
- Poultry & Eggs: 40.1%
- Livestock & Aquaculture: 9.0%
- Row & Forage Crops: 14.3%
- Ornaments: 4.9%
- Vegetables: 6.0%
- Fruits & Nuts: 1.9%
- Forestry & Products: 4.1%
- Other Income: 4.4%
What We Know about Burke County

- 2008 Farm Gate Value in Burke Co. was $95.7 million. Adding $2.6 million of landscape services increased the total agricultural production value to $98.3 million.

- The highest value commodity group was row/forage crops, representing 46.4% of the total agricultural production value.
Burke County
2008 Agricultural Production Value

2008 Agricultural Production
- Fruits-Nuts: 2.8%
- Orn Hort: 2.0%
- Vegetables: 0.6%
- Forestry: 11.4%
- Livestock-Aquaculture: 21.3%
- Other: 12.9%
- Landscape services: 2.6%
- Row-Forage crops: 46.4%

2008 Top Farm Gate Commodities
- Rest of commodities: 21.2%
- Hunting leases: 4.8%
- Silage: 5.7%
- Timber: 9.0%
- Cotton: 9.1%
- Dairy: 14.1%
- Peanuts: 13.9%
- Corn: 12.5%
- Pine straw: 2.6%
- Horses: 2.6%
- Beef: 4.3%

Total AG Value = $98.3 million
Trends in Burke County: Number of Farms & Average Farm Size

Source: 1945-2007 (quinquennial) Censuses of Agriculture
Trends in Burke County:
Land in Farms, Harvested Cropland & Farms by Size

Land in Farms & Harvested Cropland
Burke County

Percent of Farms by Size, 2007

Source: 1945-2007 (quinquennial) Censuses of Agriculture
Trends in Burke County
Number of Farms by Commodity

Source: 1997-2007 (quinquennial) Censuses of Agriculture
How Do We Compare?

Georgia, Burke and Surrounding Counties

Farm Gate Value

$ Per Farm (thousands) $ Per Acre

Sources: 2007 Census of Agriculture and 2008 Farm Gate Value Report
What We Did
County Economy Modeled

- The Center for Agribusiness and Economic Development performed an analysis of the county’s economy, focusing on the role of food and fiber.

- How much of the county’s total current economic output comes from food and fiber production and directly related processing? (A Snapshot of the Economy)

- What is the total (direct and indirect) Impact of food and fiber production and directly related industries?
# Burke County Economy

## Agriculture Output

<table>
<thead>
<tr>
<th>Sector</th>
<th>Output in $ Millions</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture</td>
<td>98.296</td>
<td>6.7</td>
</tr>
<tr>
<td>Construction</td>
<td>27.254</td>
<td>1.9</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>180.924</td>
<td>12.3</td>
</tr>
<tr>
<td>Trans-Utilities-Info</td>
<td>771.259</td>
<td>52.4</td>
</tr>
<tr>
<td>Trade</td>
<td>80.713</td>
<td>5.5</td>
</tr>
<tr>
<td>Finance-Ins-RE</td>
<td>72.790</td>
<td>4.9</td>
</tr>
<tr>
<td>Services</td>
<td>159.139</td>
<td>10.8</td>
</tr>
<tr>
<td>Government</td>
<td>80.275</td>
<td>5.5</td>
</tr>
</tbody>
</table>

**Total County Economic Output = $1.47 billion**
# Burke County Economy

Agriculture + Directly Related Businesses OUTPUT

<table>
<thead>
<tr>
<th></th>
<th>Output in $ Millions</th>
<th>Percent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture + Direct</td>
<td>155.080</td>
<td>10.5</td>
</tr>
<tr>
<td>Construction</td>
<td>27.254</td>
<td>1.9</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>124.140</td>
<td>8.4</td>
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<tr>
<td>Trans-Utilities-Info</td>
<td>771.259</td>
<td>52.4</td>
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<tr>
<td>Trade</td>
<td>80.713</td>
<td>5.5</td>
</tr>
<tr>
<td>Finance-Ins-Real Est</td>
<td>72.790</td>
<td>4.9</td>
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<tr>
<td>Services</td>
<td>159.139</td>
<td>10.8</td>
</tr>
<tr>
<td>Government</td>
<td>80.275</td>
<td>5.5</td>
</tr>
</tbody>
</table>

Total County Economic Output = $1.47 billion
Burke County Employment
Total Jobs = 8,435

- AG + Directly Related: 1,263 (15.0%)
- Construction: 236 (2.8%)
- Manufacturing: 553 (6.6%)
- Trans-Utilities-Info: 1,311 (15.5%)
- State & Federal Government: 693 (8.2%)
- Trade: 1,066 (12.6%)
- Finance-Ins-Real Est: 187 (2.2%)
- Professional Services: 1,351 (16.0%)
- Public Education: 865 (10.3%)
- Other Services: 911 (10.8%)

Primary data source: Center for Agribusiness & Economic Development, UGA
An Economic Snapshot of Burke County

- How much of Burke County’s total economic output comes from food and fiber production?

- AG value alone of $98.3 million consisting of Farm Gate Value and landscape services comprises 6.7% of the county’s economy.

- AG plus directly related businesses (ex. logging, animal slaughtering, etc.) comprise 10.5% of the county’s economy.
Food and Fiber Production and Directly Related Manufacturing as % of Total Output

Burke Co. 10.5%
What is the total (direct and indirect) *impact* of food and fiber production and directly related industries?

This scenario illustrates how other industries are affected by the presence of food and fiber in the county. The indirect impacts measure output created due to food and fiber production and processing in the county.
What Impact Means: A Brief Explanation

- The *impact* numbers capture the ripple effects that food and fiber create in the county’s economy. Many other sectors rely in part on the existence of food and fiber for sales.
## Burke County
### Agriculture *IMPACT*

<table>
<thead>
<tr>
<th>Category</th>
<th>Direct $ Millions</th>
<th>Indirect $ Millions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture</td>
<td>98.296</td>
<td>0</td>
</tr>
<tr>
<td>Construction</td>
<td>0</td>
<td>0.103</td>
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<td>Manufacturing</td>
<td>0</td>
<td>0.584</td>
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<td>Trans-Utilities-Info</td>
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<td>Trade</td>
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<td>4.928</td>
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<td>Finance-Ins-Real Est</td>
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<td>Services</td>
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<tr>
<td>Government</td>
<td>0</td>
<td>0.580</td>
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<tr>
<td><strong>Total</strong></td>
<td><strong>98.296</strong></td>
<td><strong>21.050</strong></td>
</tr>
</tbody>
</table>

**Total Impact of Production AG = $119.3 million**

8.1% of total economy
<table>
<thead>
<tr>
<th>Industry</th>
<th>Direct $ Millions</th>
<th>Indirect $ Millions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture + Direct</td>
<td>155.080</td>
<td>0</td>
</tr>
<tr>
<td>Construction</td>
<td>0</td>
<td>0.150</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>0</td>
<td>0.666</td>
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<tr>
<td>Trans-Utilities-Info</td>
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<td>8.825</td>
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<tr>
<td>Trade</td>
<td>0</td>
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<td>Finance-Ins-Real Est</td>
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<td>6.645</td>
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<td>Services</td>
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<tr>
<td>Government</td>
<td>0</td>
<td>0.732</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>155.080</strong></td>
<td><strong>30.389</strong></td>
</tr>
</tbody>
</table>

Total Impact of AG + Directly Related = $185.5 million
12.6% of total economy
<table>
<thead>
<tr>
<th>Industry</th>
<th>Direct</th>
<th>Indirect</th>
</tr>
</thead>
<tbody>
<tr>
<td>Agriculture + Direct</td>
<td>1,263</td>
<td>0</td>
</tr>
<tr>
<td>Construction</td>
<td>0</td>
<td>1</td>
</tr>
<tr>
<td>Manufacturing</td>
<td>0</td>
<td>2</td>
</tr>
<tr>
<td>Trans-Utilities-Info</td>
<td>0</td>
<td>39</td>
</tr>
<tr>
<td>Trade</td>
<td>0</td>
<td>80</td>
</tr>
<tr>
<td>Finance-Ins-Real Est</td>
<td>0</td>
<td>25</td>
</tr>
<tr>
<td>Services</td>
<td>0</td>
<td>97</td>
</tr>
<tr>
<td>Government</td>
<td>0</td>
<td>5</td>
</tr>
</tbody>
</table>

Total Impact of AG + Directly Related Employment = 1,512 jobs
17.9% of total employment
What These Numbers Mean: A Brief Explanation

- **Direct** impact is $155.1 million. This includes food and fiber production, processing and directly related manufacturing.

- **Indirect** impact from the Trade sector is $7.4 million. This captures the effects of farmers (direct source) buying supplies (seed, fertilizer, work boots) from local stores. These stores must increase their output to meet farmer demand.
As local stores increase their output, they may demand more stock from local wholesalers (also in the Trade sector). Local wholesalers demand more from local manufacturers, thus increasing activity in the Manufacturing sector.

Local stores also hire employees to assist farmers. They take home wages and buy groceries at the local store which increases demand there.
Burke County Food and Fiber Impact Conclusions

- The total *impact* of food and fiber production, processing and direct manufacturing is $185.5 million.

- The total county *output* is $1.5 billion.

- Thus, food and fiber (directly and indirectly) account for 12.6% of the total county output.
Food and Fiber Production and Directly Related Manufacturing *IMPACT* as % of Total Output

Burke Co. 12.6%
Contact Information

Prepared by:
Sue Boatright and Sharon Kane
Center for Agribusiness & Economic Development

“Adding Value to Georgia's Agricultural Economy
Through Research and Extension“

To learn more about your county, go to:
http://www.caed.uga.edu/
...click on “Georgia Statistics System”

Special County Area Report
#09-12A
May, 2009