

The Economic Importance of Food and Fiber

A Spotlight on Banks County, Georgia

Prepared for
Banks County Cooperative Extension
February, 2010

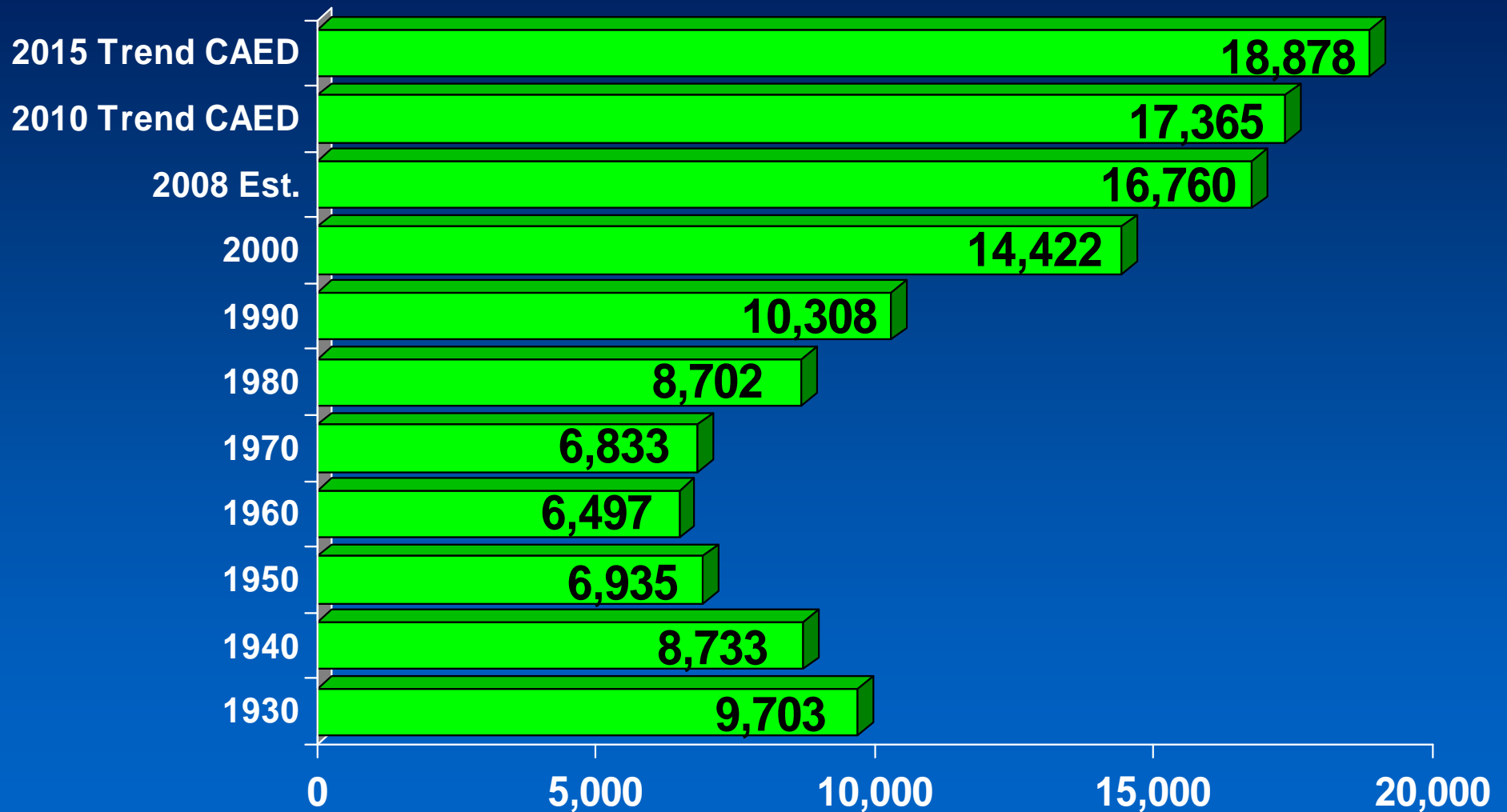
by:

The Center for Agribusiness
and Economic Development

College of Agricultural
and Environmental Sciences

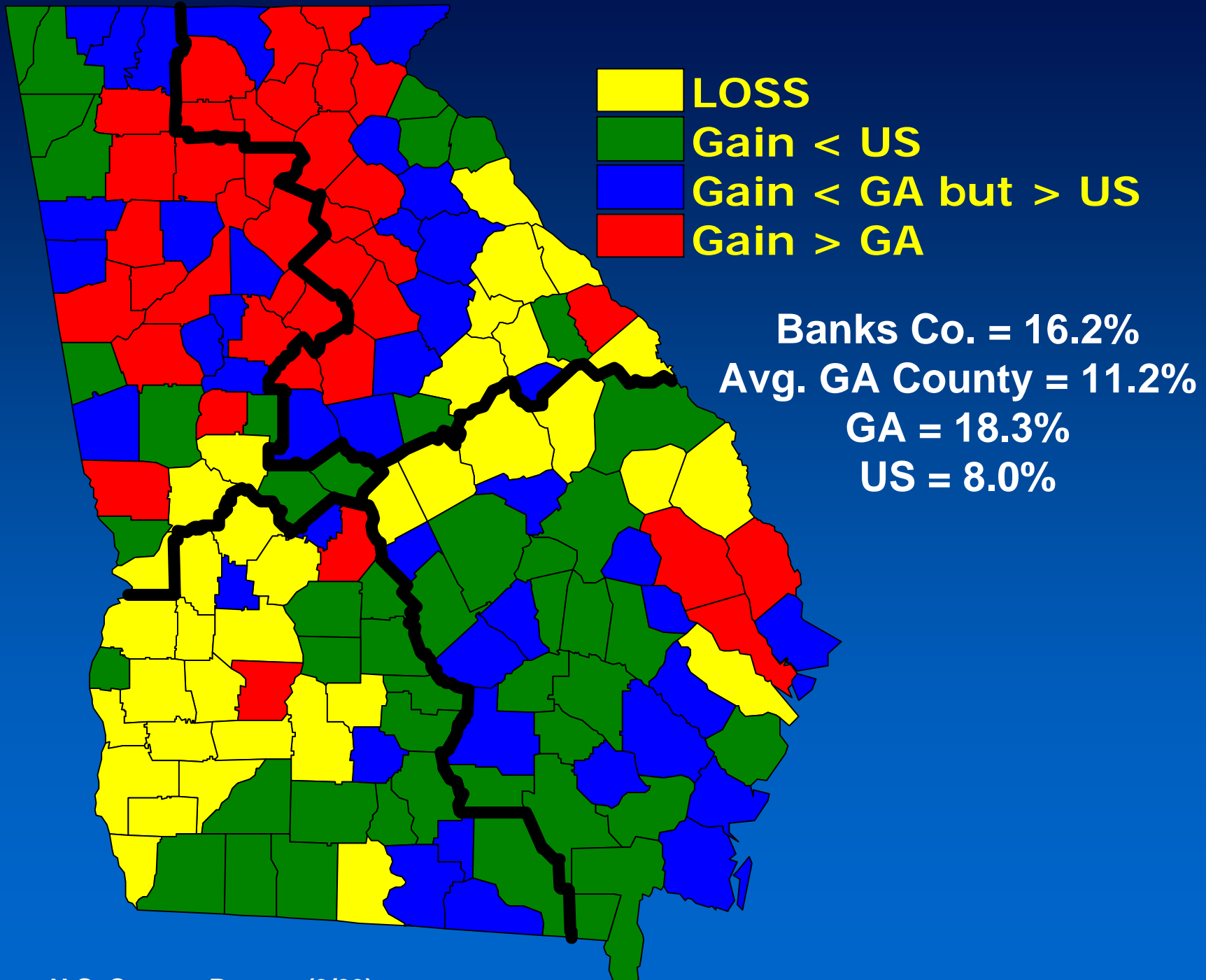
The University of Georgia

Total Population Banks County

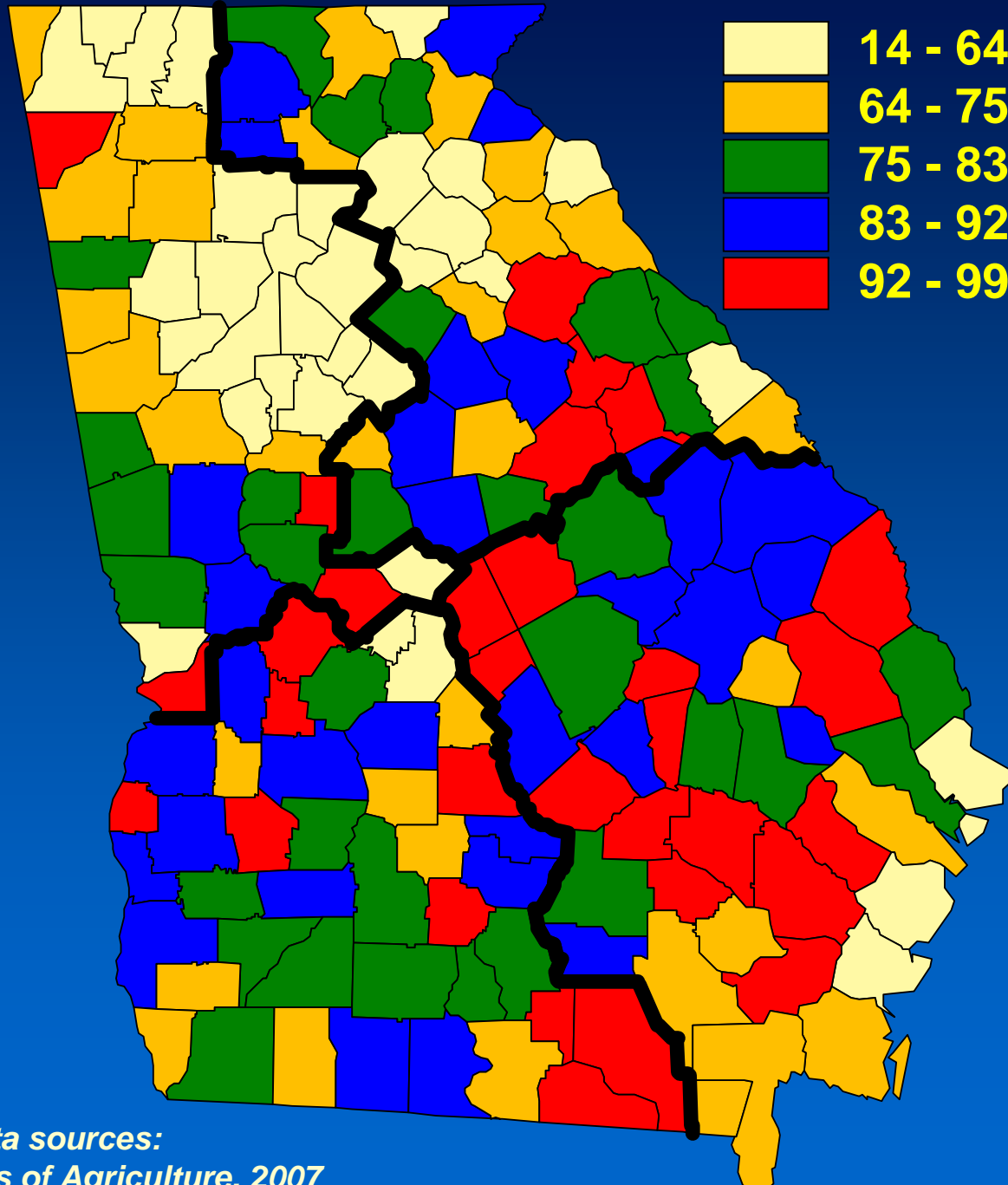


Primary data sources: U.S. Census Bureau, decennial censuses & estimate;
CAED (Center for Agribusiness & Economic Development).

Population Change: 2000-2008



% of Land in Cropland & Timberland

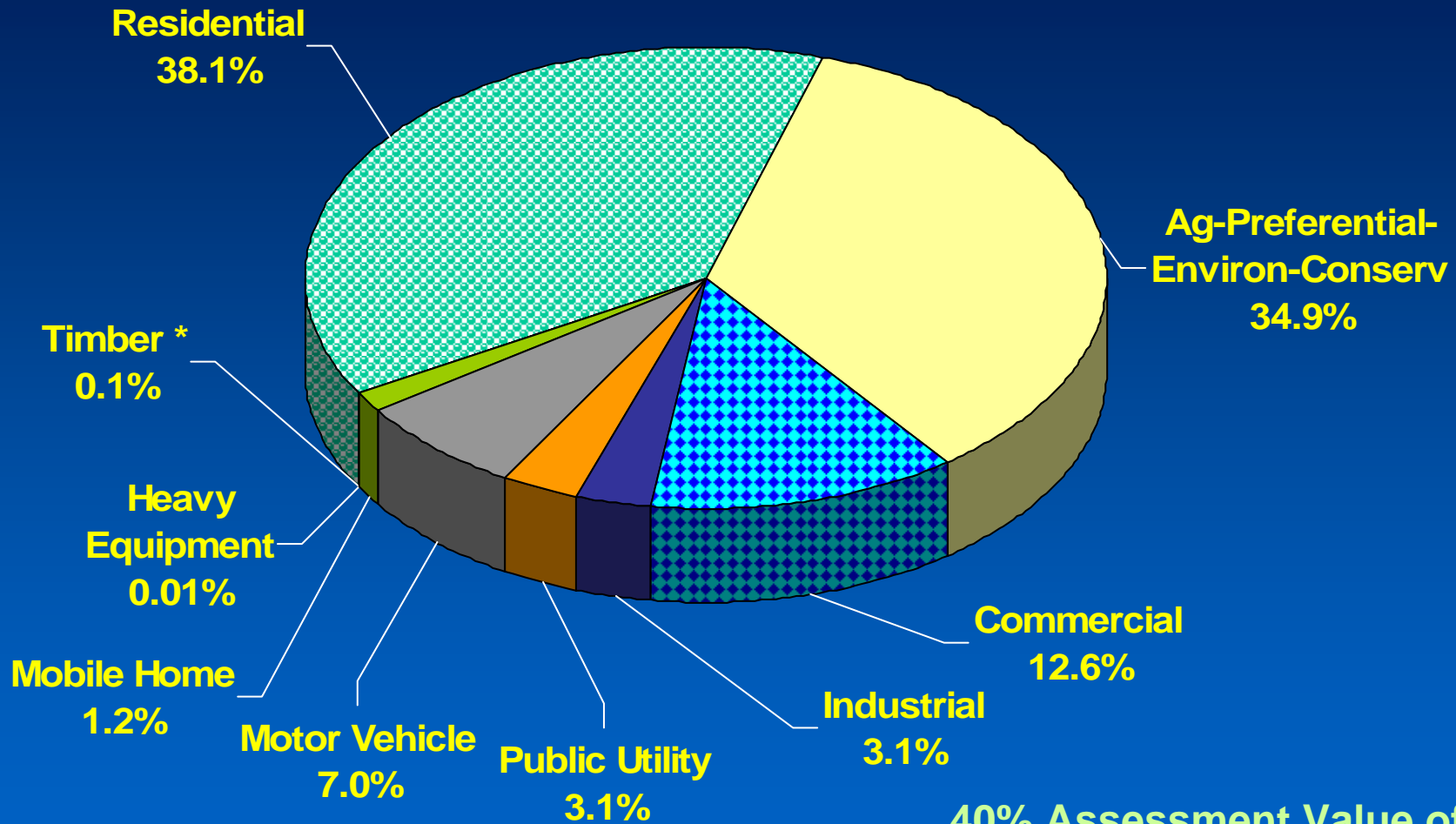


Banks Co. = 63.6%
GA Avg. Co. = 76%
GA Total = 78%
GA Metro = 68%
GA Nonmetro = 83%

*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 Banks County



40% Assessment Value of Property

Gross Digest = \$716,240,594

Homestead & Property Exemptions = \$154,467,918

Net M&O Digest = \$561,772,676

Value of exempt property = \$31,090,944

* Timber taxed at 100% based on previous year sales

Primary data source:
GA Dept. of Revenue

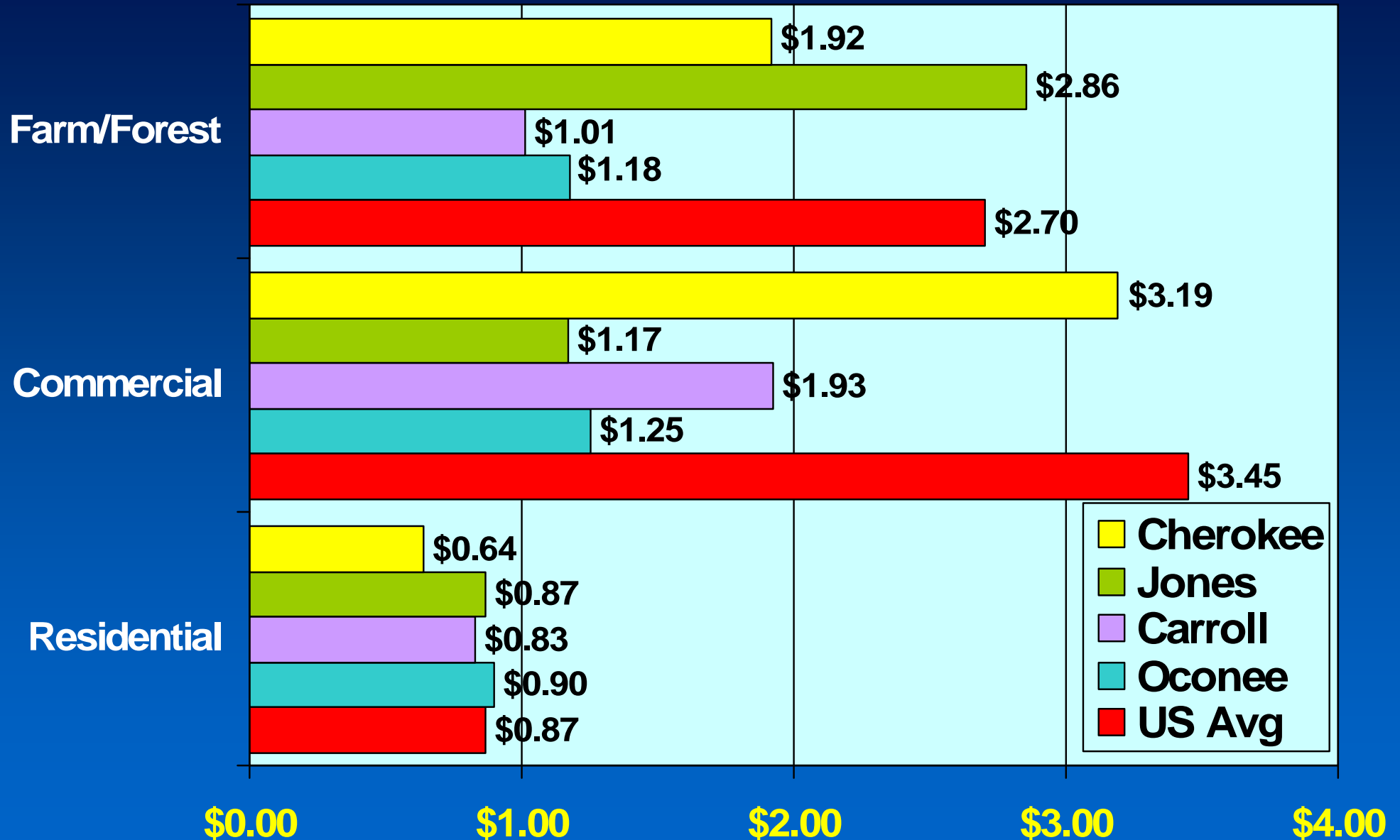
County Property Tax Digest Comparisons: 2008

County	% Residential	% Agricultural	% Commercial	% Industrial	% Utility	% Motor Veh	% Mobile Home	% Timber
BANKS	38.1	34.9	12.6	3.1	3.1	7.0	1.2	0.09
FRANKLIN	32.4	38.2	15.3	3.7	2.3	7.1	1.1	0.03
HABERSHAM	59.0	16.4	10.3	4.0	3.2	6.2	0.8	0.01
HALL	57.0	7.1	16.9	10.6	1.5	6.5	0.4	0.00
JACKSON	47.7	13.7	10.4	19.3	2.5	5.8	0.5	0.01
MADISON	44.0	34.7	4.6	1.6	5.5	8.1	1.4	0.12
STEPHENS	57.0	6.4	13.7	11.7	3.5	6.7	1.0	0.02
Avg. GA Co.	42.3	24.6	12.6	6.9	4.8	7.0	1.0	0.72

Primary data source: GA Dept. of Revenue (preliminary 5/15/09—Fulton Co. digest not verified)

Revenue : Expenditure Ratios

\$ of Revenue for Each \$ of Expenditure

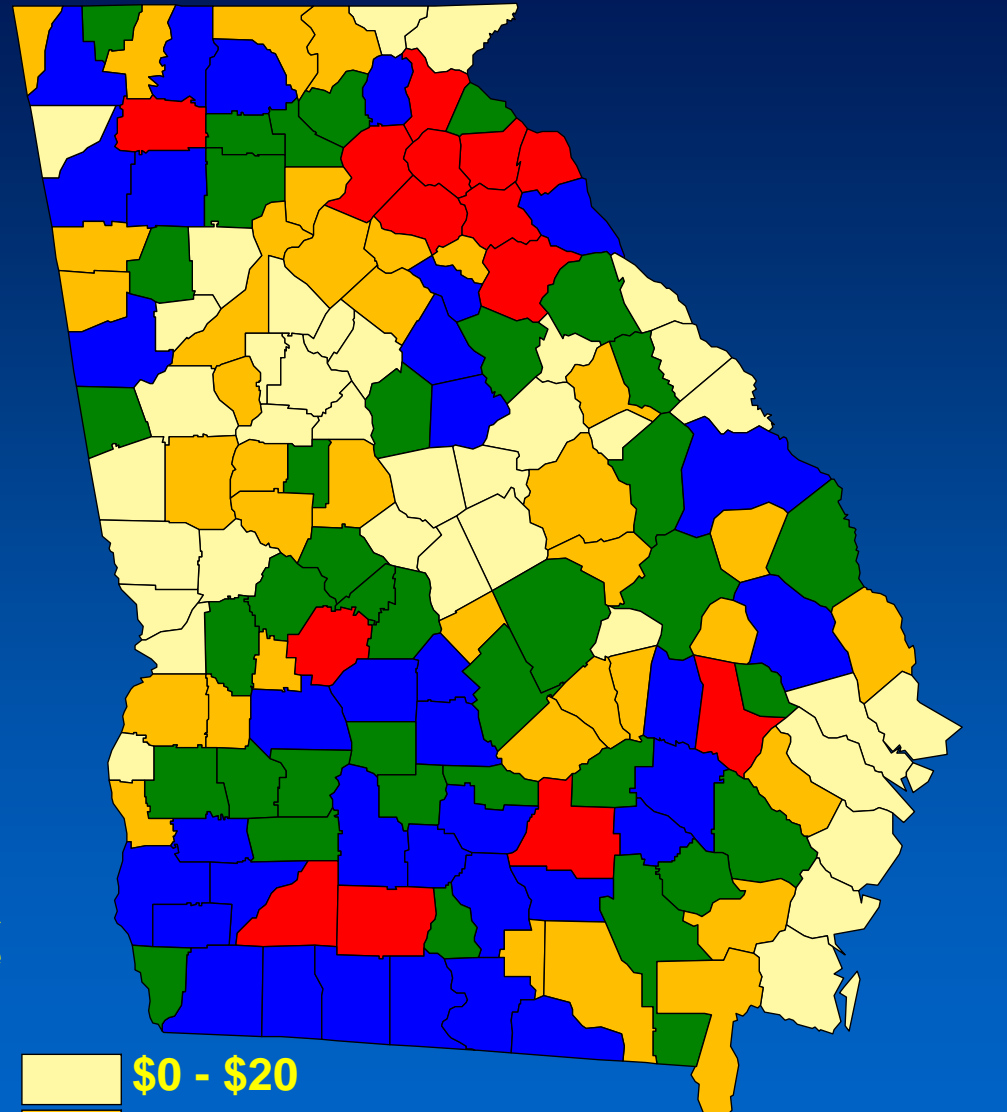
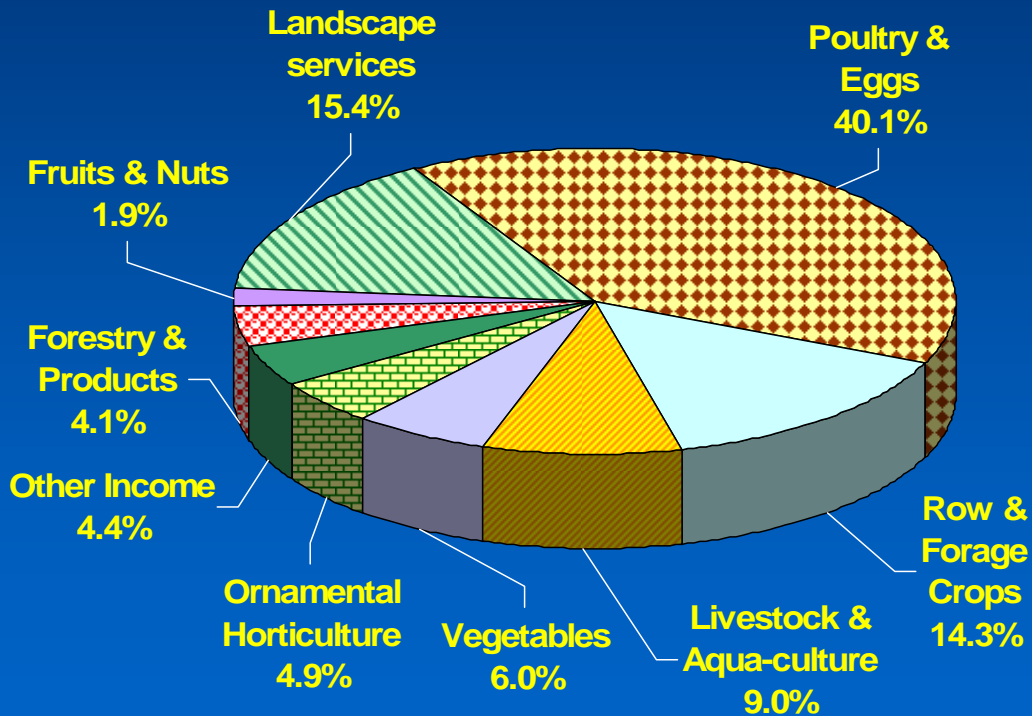


Agriculture in Georgia

- 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

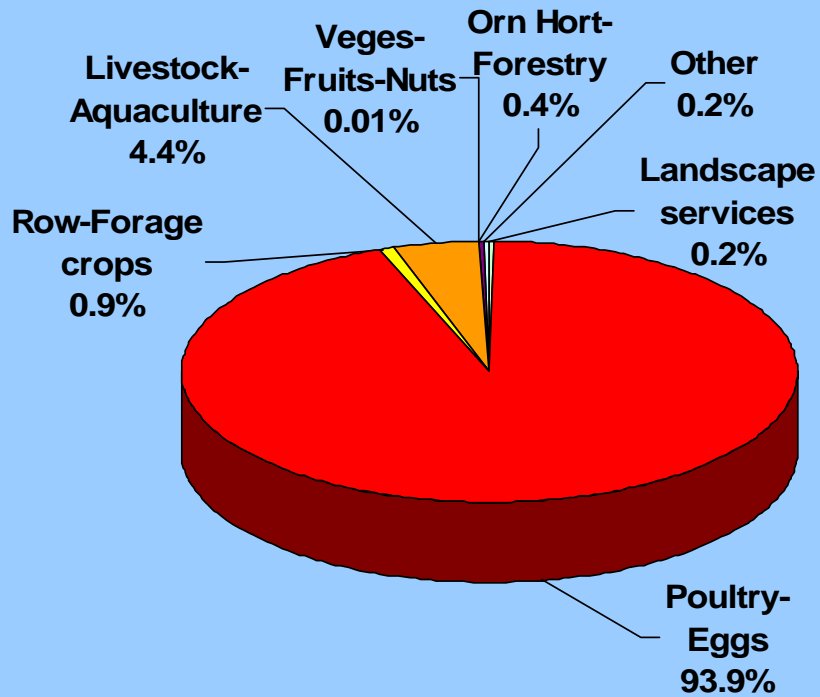
What We Know about Banks County

- 2008 Farm Gate Value in Banks Co. was \$270.7 million. Adding \$645 thousand of landscape services increased the total agricultural production value to \$271.3 million.
- The highest value commodity group was poultry/eggs, representing 93.9% of the total agricultural production value.

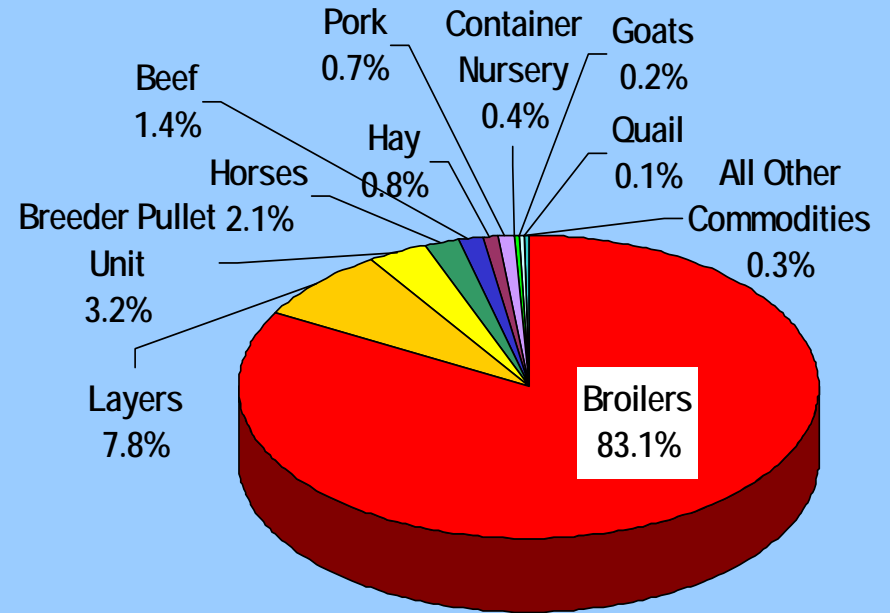
Banks County

2008 Agricultural Production Value

2008 Agricultural Production



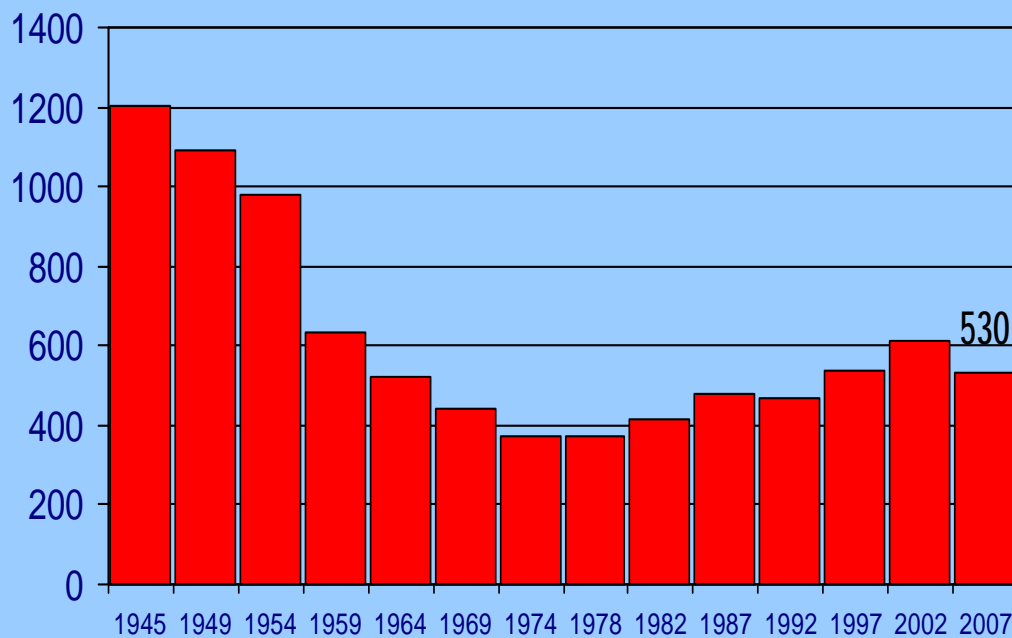
2008 Top Farm Gate Commodities



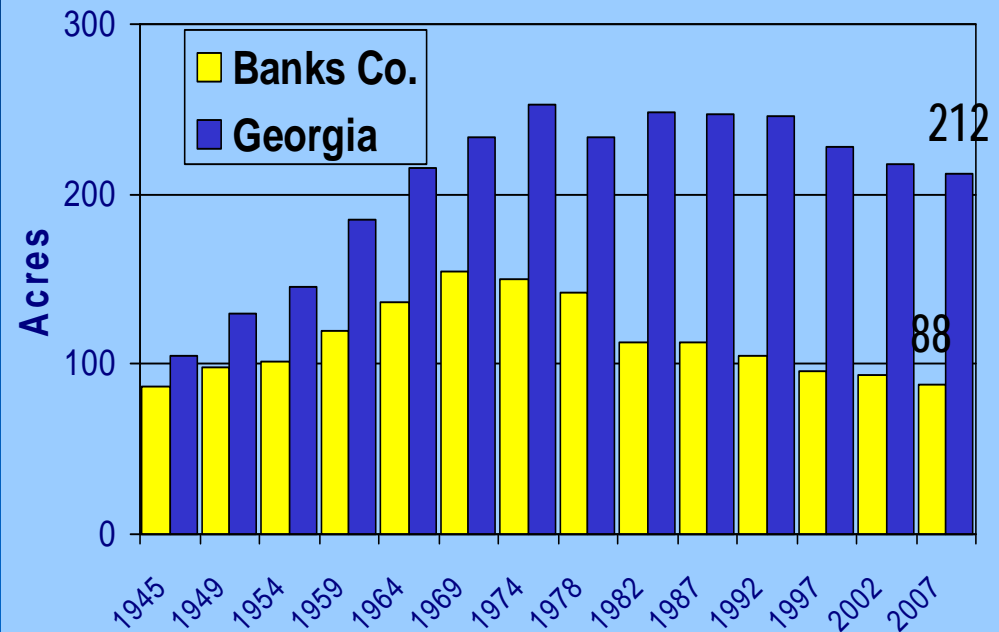
Total AG Value = \$271.3 million

Trends in Banks County: Number of Farms & Average Farm Size

Number of Farms, Banks County

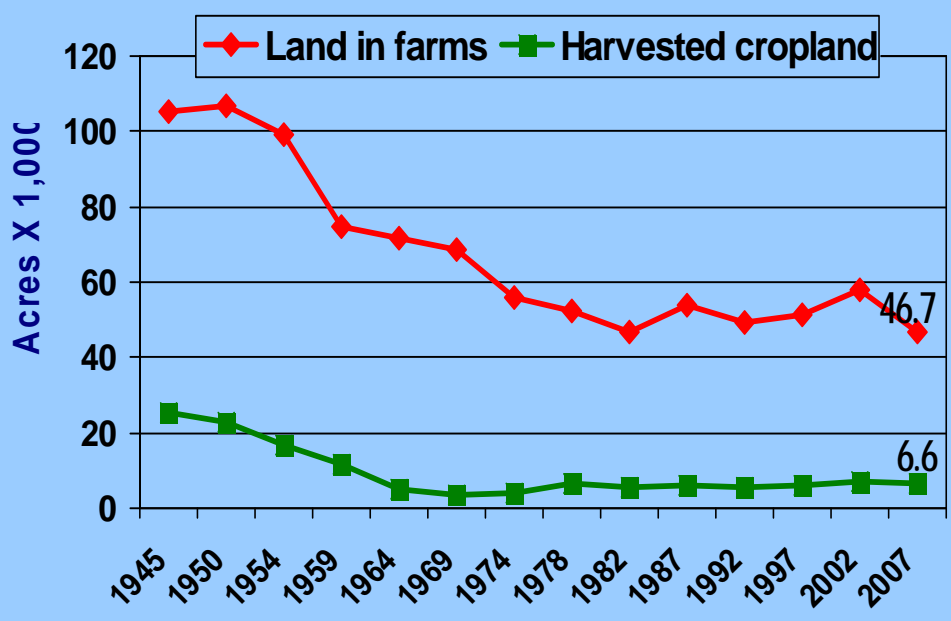


Average Farm Size

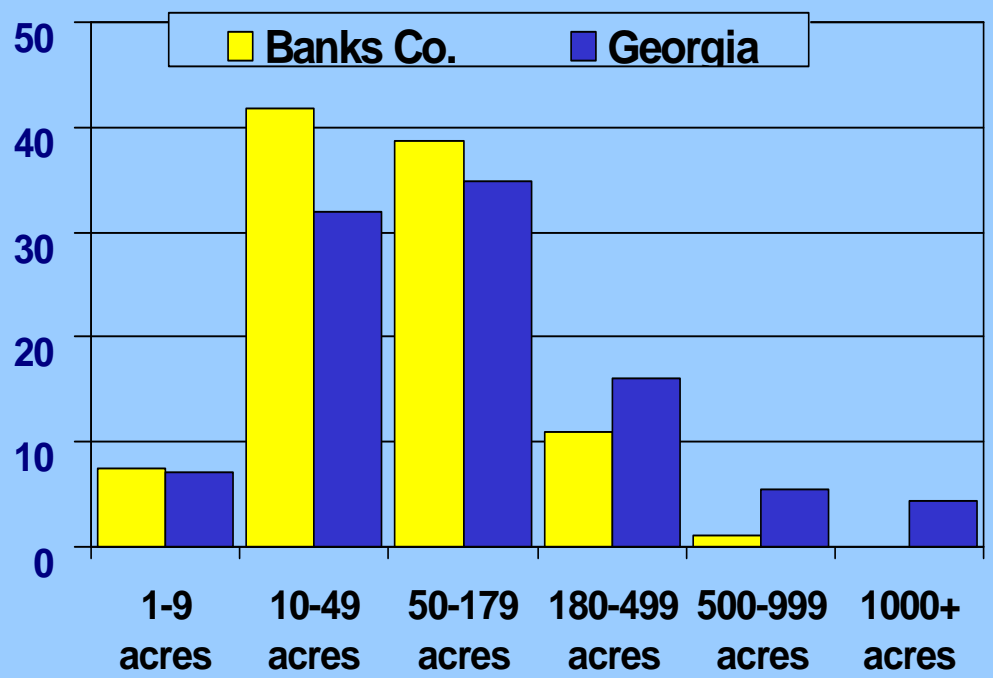


Trends in Banks County: Land in Farms, Harvested Cropland & Farms by Size

Land in Farms & Harvested Cropland
Banks County



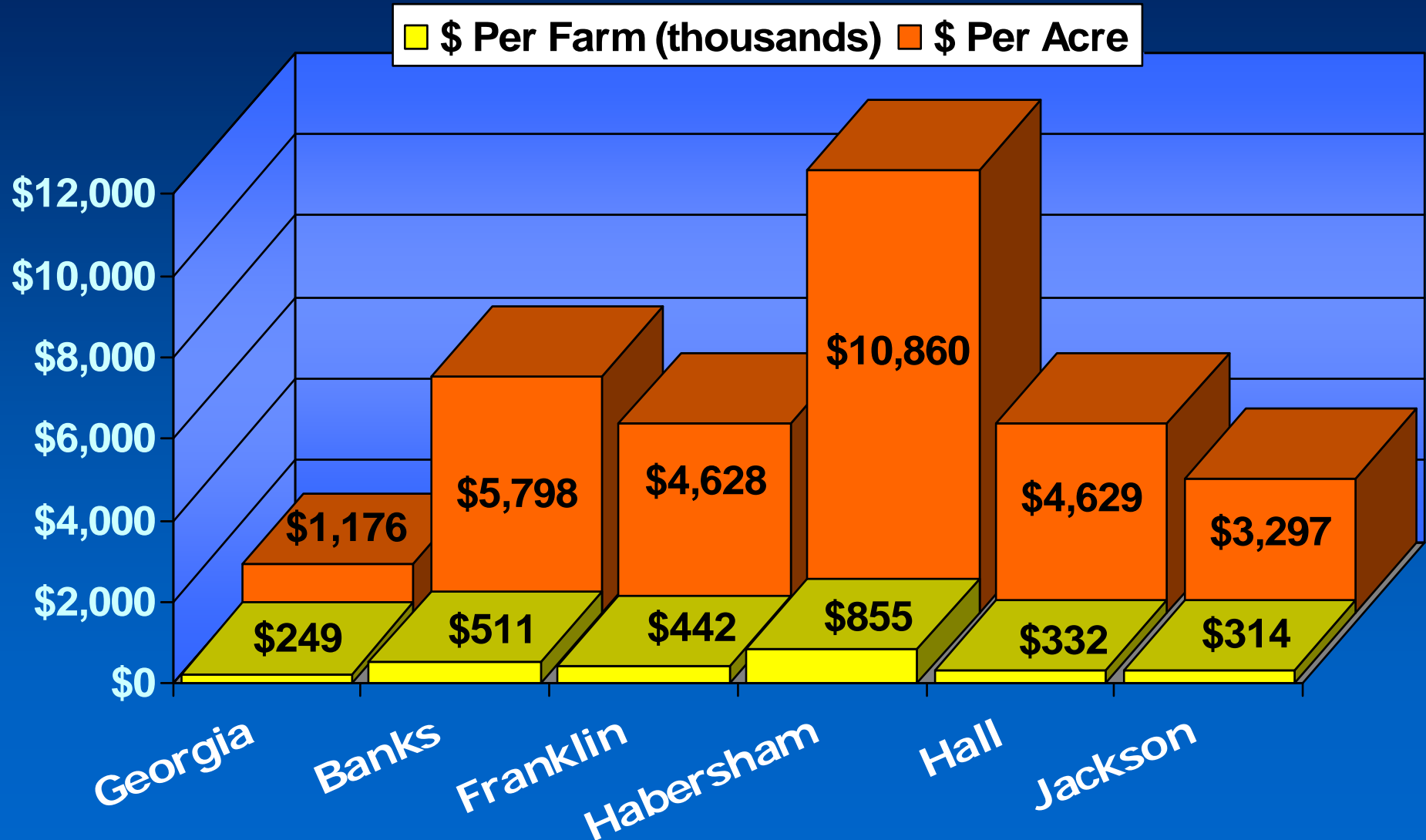
Percent of Farms by Size, 2007



Source: 1945-2007 (quinquennial) Censuses of Agriculture

How Do We Compare ?

Georgia, Banks and Surrounding Counties Farm Gate Value



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?

Banks County Economy

Agriculture *OUTPUT*

	Output in \$	Percent
Agriculture	271,326,220	23.92%
Construction	36,802,560	3.24%
Manufacturing	287,270,889	25.32%
Trans-Utilities-Info	155,931,032	13.74%
Trade	91,316,307	8.05%
Finance-Ins-RE	116,131,460	10.24%
Services	121,513,633	10.71%
Govt & non-NAICS	54,166,614	4.77%

Total County Economic Output = \$1.134 Billion

Banks County Economy

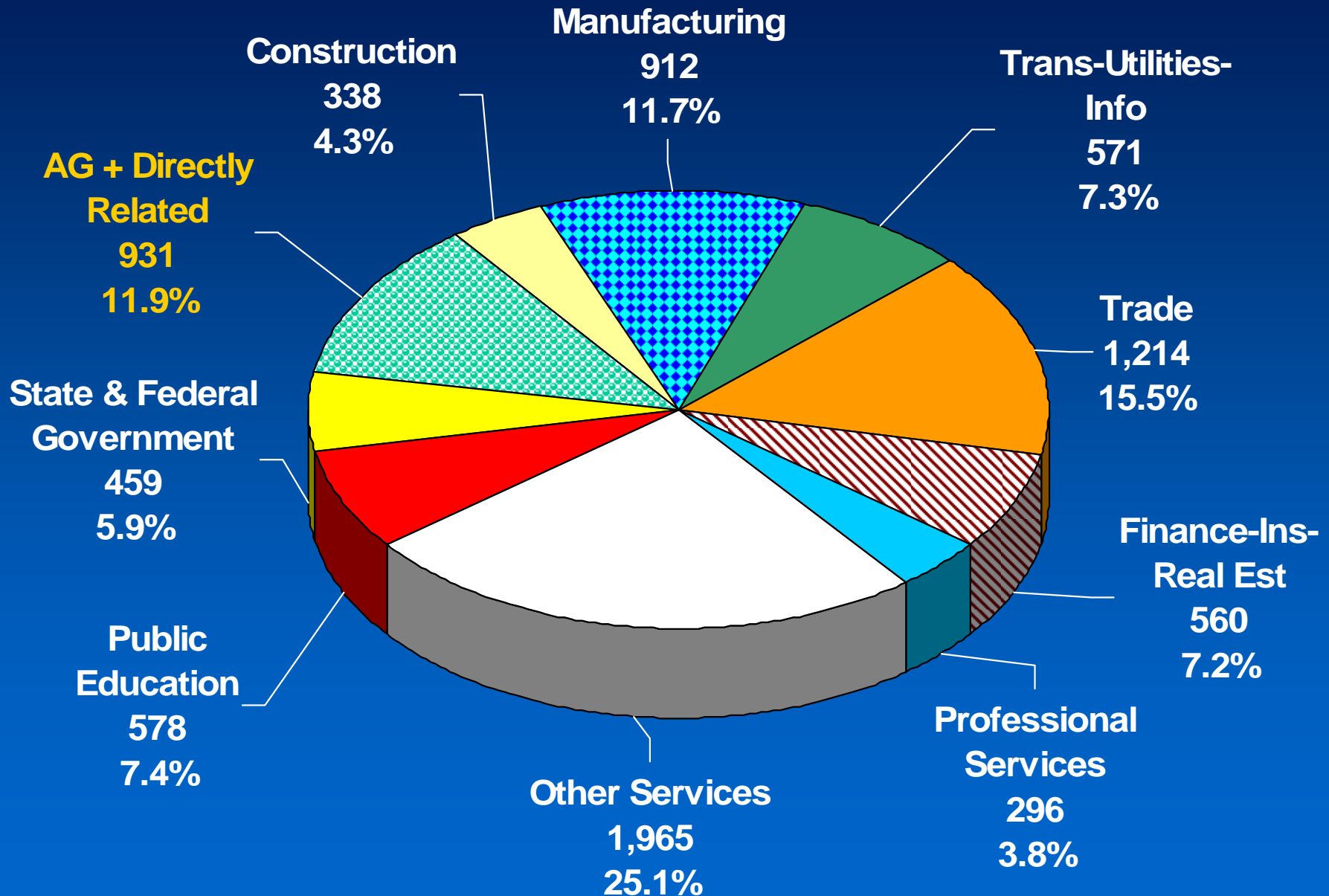
Agriculture + Directly Related Businesses *OUTPUT*

	Output in \$	Percent
Agriculture + Direct	284,021,702	25.04%
Construction	36,802,560	3.24%
Manufacturing	274,575,407	24.20%
Trans-Utilities-Info	155,931,032	13.74%
Trade	91,316,307	8.05%
Finance-Ins-Real Est	116,131,460	10.24%
Services	121,513,633	10.71%
Govt & non-NAICS	54,166,614	4.77%

Total County Economic Output = \$1.134 Billion

Banks County Employment

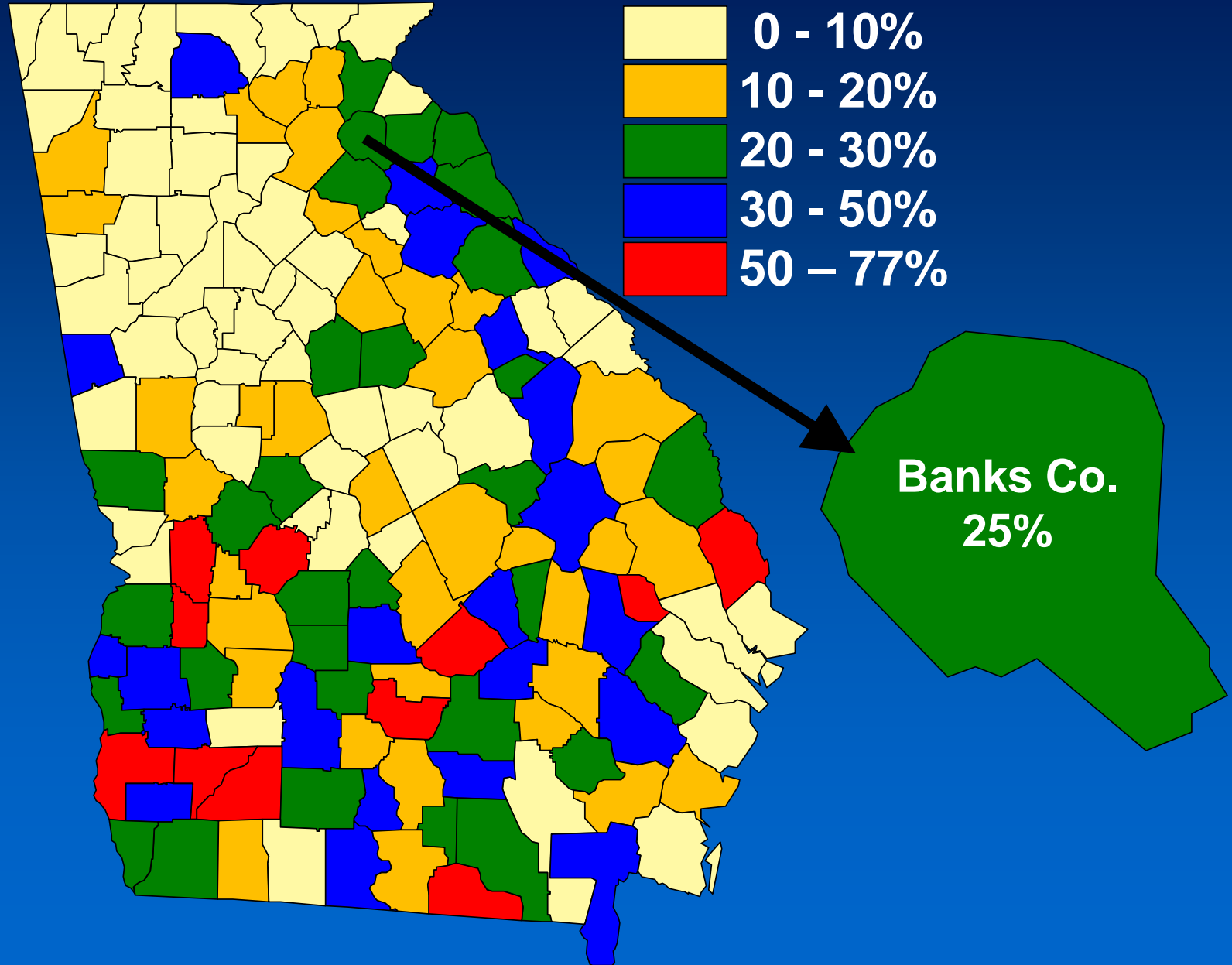
Total Jobs = 7,825



An Economic Snapshot of Banks County

- How much of Banks County's total economic output comes from food and fiber production?
- AG value alone of \$271.3 million consisting of Farm Gate Value and landscape services comprises 23.9% of the county's economy.
- AG plus directly related businesses (ex. logging, ag support services) comprise 25% of the county's economy.

Food and Fiber Production and Directly Related Manufacturing as % of Total Output



What is the Impact?

- 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.



Labor



Seed

Utilities



Banks County

Agriculture *IMPACT*

	Direct \$	Indirect \$
Agriculture	271,326,220	0
Construction	0	595,938
Manufacturing	0	75,255,929
Trans-Utilities-Info	0	6,236,148
Trade	0	10,851,077
Finance-Ins-Real Est	0	13,499,097
Services	0	7,349,504
Govt & non-NAICS	0	1,718,643
Total	271,326,220	115,506,336

Total Impact of Production AG = \$386.8 million
34.1% of total economy

Banks County

Production Agriculture + Directly Related Businesses *IMPACT*

	Direct \$	Indirect \$
Agriculture + Direct	284,021,702	0
Construction	0	608,874
Manufacturing	0	75,270,059
Trans-Utilities-Info	0	6,570,056
Trade	0	11,486,220
Finance-Ins-Real Est	0	14,349,663
Services	0	7,921,807
Govt & non-NAICS	0	1,779,225
Total	284,021,702	117,985,903

**Total Impact of AG + Directly Related = \$402 million
35.4% of total economy**

Banks County

Production Agriculture + Directly Related Industries Employment *IMPACT*

	Direct	Indirect
Agriculture + Direct	931	0
Construction	0	8
Manufacturing	0	77
Trans-Utilities-Info	0	54
Trade	0	118
Finance-Ins-Real Est	0	71
Services	0	162
Govt & non-NAICS	0	8

Total Impact of AG + Directly Related Employment = 1,429 Jobs
35.4% of total employment

What These Numbers Mean: A Brief Explanation

- *Direct* impact is \$284 million. This includes food and fiber production, processing and directly related manufacturing.
- *Indirect* impact from the Trade sector is \$11.5 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.

What These Numbers Mean:

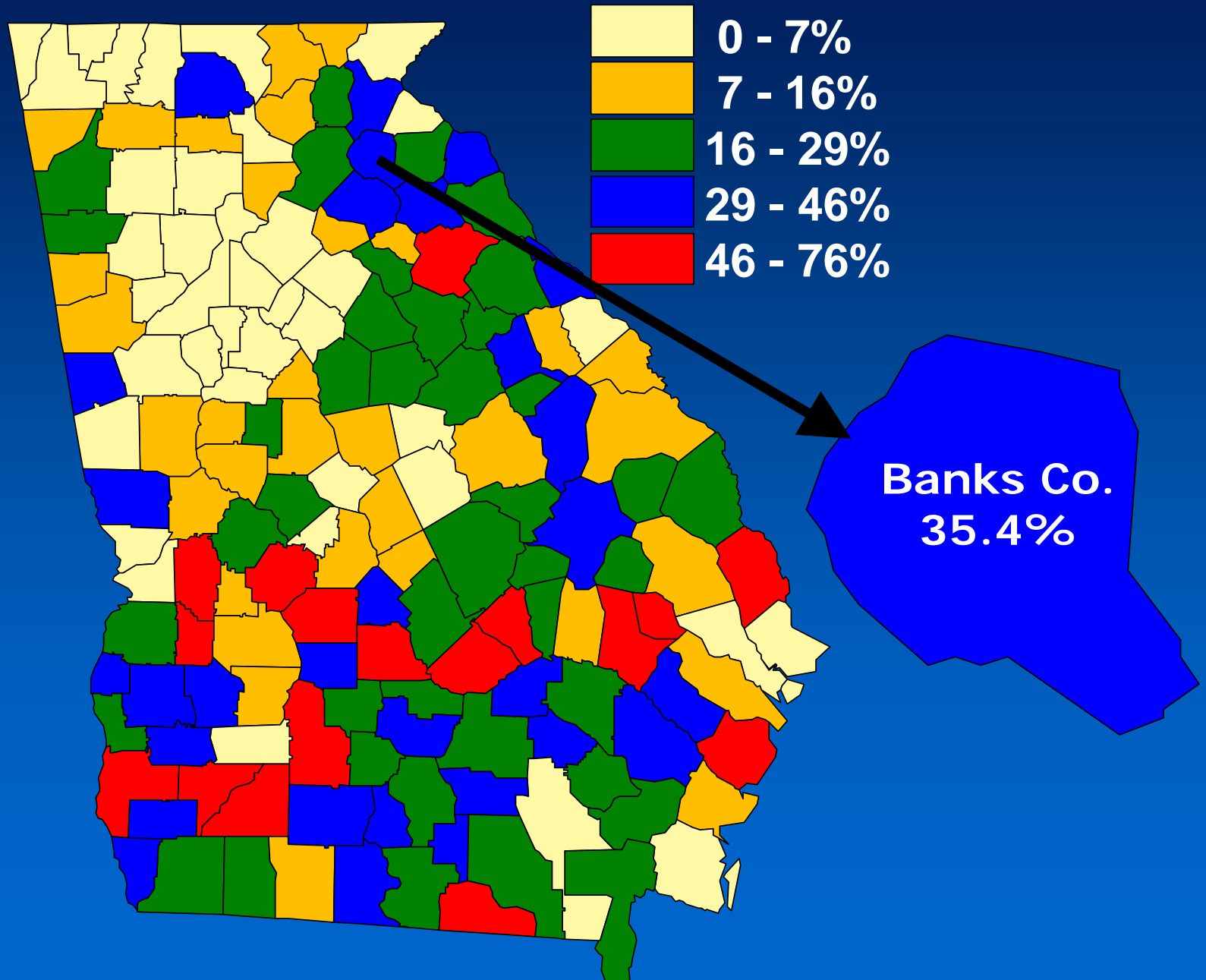
A Brief Explanation (continued)

- 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.

Banks County Food and Fiber Impact Conclusions

- The total *impact* of food and fiber production, processing and direct manufacturing is \$402 million.
- The total county *output* is \$1.134 billion.
- Thus, food and fiber (directly and indirectly) account for 35.4% of the total county output.

Food and Fiber Production and Directly Related Manufacturing *IMPACT* as % of Total Output



Contact Information

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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

#10-11A

February, 2010

