



Ag Horizons: Stearns County

A Rural Stress Task Force Offering

Overview

Agricultural leaders and stakeholders from Stearns County participated in the University of Minnesota Extension's Ag Horizons workshop on Wednesday, March 15, 2022 in Freeport, Minnesota.

During the four-hour workshop, participants

- Learned about agriculture's impact on Stearns County's economy
- Analyzed data tailored to Stearns County's agricultural industry
- Generated ideas for supporting agriculture in the county
- Created action items that were specific to Stearns County's needs.



This report summarizes the workshop.

Agriculture's Impact on Stearns County's Economy

To kick off the workshop, participants learned about the overall role of agriculture in the county. In 2019, Stearns County's agricultural-related industries generated \$2.1 billion of sales, representing 12 percent of the county's total sales (Chart 1).¹ Livestock production, particularly related to cattle (dairy and beef) and poultry drives a significant portion of agricultural activity in the county.

The three non-agriculture industries that benefit the most from Stearns County's agricultural industry are manufacturing, health care and social assistance, and real estate and rental and leasing. The average annual earnings for an employee working in an agricultural-related business in Stearns County is \$33,030. This includes full-time, part-time, and seasonal employees.

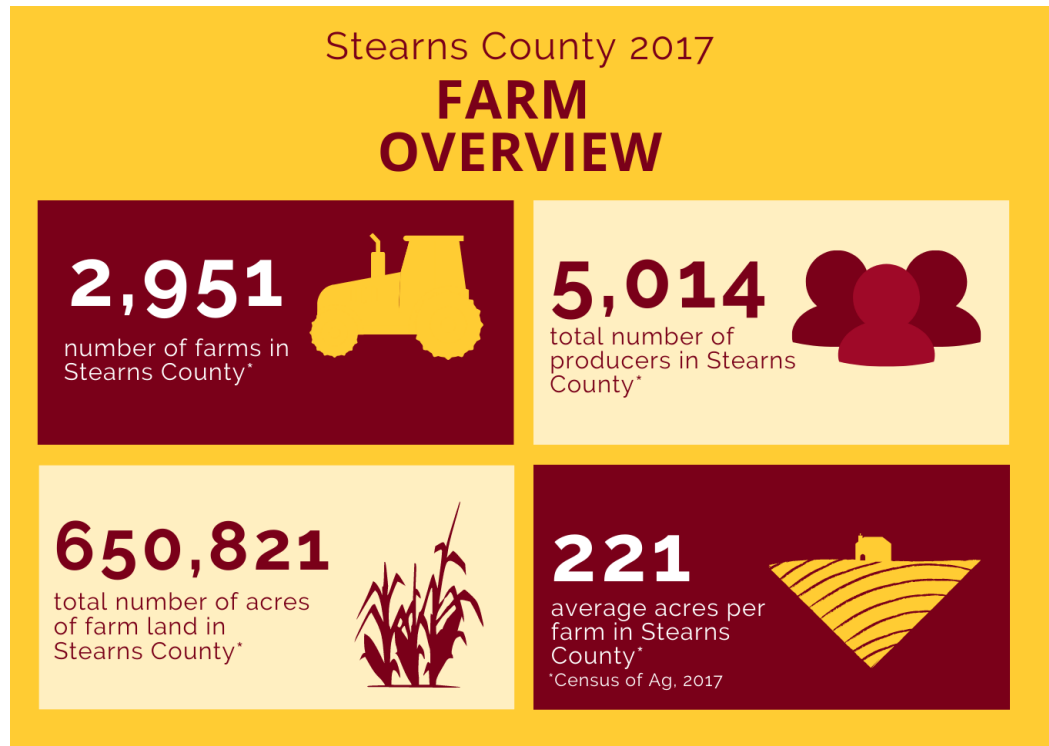
Chart 1: Stearns County Ag Economic Impacts Overview



¹ Source: IMPLAN, 2019 is the most current data available. www.implan.com.

In 2017 (the most recent census), Stearns County had a total of 892,160 acres of land, 73% of which was farmland (Chart 2).² Major agricultural production sectors include corn growing, dairy production, and poultry production.

Chart 2: Stearns County Farm Overview



Data Tailored to Stearns County’s Economy

After learning about the overall role of agriculture in the county, participants divided in to small groups. In the first round, each group discussed either the grain/oilseed or dairy sector. In the second round, groups selected the sectors they wished to explore. Participants selected all other crop farming (hay), beef production, cheese manufacturing, and other animal feed manufacturing. Each group considered the economic impact of and ideas for supporting the sector.

Table 1: Industries Explored: Stearns County Ag Horizons Workshop

Grain and oilseed farming	All other crop farming (hay)
Beef production	Cheese manufacturing
Dairy cattle and milk production	Other animal feed manufacturing

² Source: Minnesota USDA NASS Census of Agriculture, 2017. www.nass.usda.gov.

For each of the sectors, a group of participants addressed the following four questions:

1. What surprises you about this data?
2. What factors favor this industry in the region? What economic, natural resource, and/or socioeconomic strengths benefit this industry?
3. What factors work against this industry in the region? What economic, natural resource, and/or socioeconomic stressors, if any, affect this industry?
4. What could be done to support this industry in Stearns County?

The small groups reported out to the full group their summary thoughts and considerations.

Ideas for Supporting Agriculture in Stearns County

Table 2: Ideas by Industry: Stearns County Ag Horizons Workshop

Beef production

- Add more local processing facilities
 - Small producers can only sell locally
 - Tough to get volume for a good contract price
- Help next generation get into beef
 - Heifer giveaway
 - More kids interested than cattle available
- Support beginning farmers
- Hold tours/on-farm events
 - Hold a baby animal
- Create mentorship opportunities
 - New farmers
- Talk to MDA about incentives
 - Simplify
 - Ex. Beginning farmer loans
 - Build awareness of grant opportunities

Other animal feed manufacturing

- Recognize and “own” role of Stearns Co. as a leader and steward of agriculture, particularly livestock
 - Across all agriculture we have the backbone (infrastructure), Stearns Co. can hold other counties together, vital to farmers and the region, its vets, feed mills, etc.
- Interview places that have lost their infrastructure-what challenges do they face?
- Talk about harmony and balance
- Explore the role of Stearns co. as a region
 - Social/mental health
 - Family
 - Financial
 - Community comes together

Dairy cattle and milk production

- Offer succession and transition assistance
 - How to keep farms
 - Creative planning-very capital intensive
 - “Destigmatize” the fear-emotions
- Address federal policies
 - Restrict dairies
- Share how 100lbs milk sold impacts the county.
 - Who benefits?
 - What percent of the dollar goes to the farm?
 - Show people where they fit in
 - Present to chamber, put in paper, share at fair

All other crop farming

- Educate on the seed hardiness/quality/longevity
 - Plant breeding improvements
- Pursue R&D opportunities for products derived from alfalfa
- Develop carbon markets- hit sustainability goals
- Provide education on environmental benefits of hay and cover crops
 - Ex. Soil health, carbons, etc.
 - Farmers and consumers

Table 2: Ideas by Industry: Stearns County Ag Horizons Workshop

Grain and oilseed farming

- Continue to educate the public
 - Bigger communities
 - Schools
- Focus on the benefits/living wages/labor
 - Keep the farm
- Develop new opportunities
 - Local use of crops
- Offer succession planning
- Promote a positive attitude toward lifestyle

Cheese manufacturing

- Advocate for improvements with the federal-make allowance
- Garner support from local (city) to expand locally
- Develop product and packaging innovation

Action Items for Supporting Agriculture in Stearns County

After generating ideas to support agriculture, workshop participants voted on projects to move forward into implementation. Five ideas emerged.

Action Item 1: Address business succession and transition

A successful transition from one family member to the next can help keep the family farm tradition alive in Stearns County. The period of transition, however, can be overwhelming. In addition to low cost resources from University of Minnesota Extension, the group discussed offering mentorship opportunities. Often with transitions, there is a considerable amount of planning. A mentor could help new farmers prepare.

Action Item 2: Find harmony and balance

Due to Stearns County’s historical strength in livestock production, many supporting sectors, such as feed mills and veterinary supply companies, have located in the county. With time, Stearns County has become the backbone of the regional agricultural economy. Participants shared their desire to recognize and celebrate the county’s role in the region. They also talked about finding ways to seek harmony, balance, and support for farm families.

Action Item 3: Share the value of agriculture

Data shared in the workshop highlighted the economic value of agriculture in the county. Participants discussed ways to share this information more broadly. Ideas included sharing at Chamber events, at county fairs, and in publications, such as the Dairy Star. The group also mentioned finding more visual ways to share the information with lay audiences – for example, how does milk production affect the average person’s job?

Action Item 4: Advocate around the federal make allowance

Stearns County has a long history of being a dairy production leader. Local dairy producers are often board members on dairy processing cooperatives as well as dairy associations. Participants of the workshop who serve in this role emphasized the importance of continued efforts to advocate for improving the federal make allowance for dairy production at a local, regional, and national effort. This will help enhance profitability for dairy farmers as well as milk processing.

This is an on-going effort by many in attendance and will continue to be a priority for those individuals.

Action Item 5: Increase local processing capacity

The COVID-19 pandemic revealed weaknesses in our meat processing supply chain. Participants discussed the need for increased local processing capacity. Small farmers have limited bargaining power and often take lower prices than larger farmers. The federal and state government currently have grant programs to encourage the development of processing capacity. The participants discussed ways to continue to increase local capacity.

Workshop Details

Individuals in the following groups participated in the workshop.

- Farmers
- Stearns County Commissioners
- Stearns County Dairy Advisory Committee Board
- Stearns County employees (ex. environmental services feedlot officers)
- Minnesota Milk
- Agribusiness (ex. greenhouse manager and agricultural lending)
- University of Minnesota Extension

The following University of Minnesota Extension staff participated in the planning, preparation, and presentation of the Ag Horizons workshop in Stearns County.

- Dana Adams, Extension Educator
- Brigid Tuck, Senior Economic Impact Analyst
- Joleen Hadrich, Associate Professor
- Megan Roberts, Extension Educator
- Madelyn Wehe, Student

APPENDIX: DEFINITIONS OF TERMS

The workshop analyzed ten of Stearns County's industries to measure their economic linkages. The results of the analysis are presented in this appendix. To allow for comparison, the analysis considers the economic impact of 100 jobs in each industry. This allows one to compare and contrast the types of impacts each industry has in the county. The IMPLAN model used in this analysis is linear; therefore, if a person wanted to consider the economic linkages of 10 jobs, it could be done by dividing the results for 100 jobs by 10.

Interpreting the results requires knowing several definitions. Those are included here.

Output

The IMPLAN model measures output in dollars and is equivalent to total sales.

Employment

The model measures employment in annual average jobs and includes full-time, part-time, and seasonal workers. In other words, one job is one job regardless if it is full-time, part-time, or seasonal. Total wage and salaried employees as well as the self-employed are included in employment estimates in IMPLAN. Because employment is measured in jobs and not in dollar values, it tends to be a very stable metric.

Direct Impact

The direct impact is equivalent to the initial change in the economy. For this workshop, the direct impact is 100 jobs.

Indirect Impact

The indirect impact is the summation of changes in the local economy that occur due to **spending for inputs** (goods and services) by the industry or industries directly impacted. For instance, if employment in a manufacturing plant increases by 100 jobs, this implies a corresponding increase in output by the plant. As the plant increases output, it must also purchase more of its inputs, such as electricity, steel, and equipment. As it increases its purchase of these items, its suppliers must also increase their production, and so forth. As these ripples move through the economy, they can be captured and measured. Ripples related to the purchase of goods and services are indirect impacts.

Induced Impact

The induced impact is the summation of changes in the local economy that occur due to **spending by labor** – by the employees in the industry or industries directly impacted. For instance, if employment in a manufacturing plant increases by 100 jobs, the new employees will have money to spend to purchase housing, buy groceries, and go out to dinner. As they spend their new income, more activity occurs in the local economy. This can be quantified and is called the induced impact.

Total Impact

The total impact is the summation of the direct, indirect and induced impacts

Indirect vs Induced Impacts Graphic

