

Economic Factors from a 600-sow Farrow to Finish Operation to the Local Community, County and State

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Economic Impact of the Swine Operation Construction

Overall construction project cost will be \$2.26 million. These costs represent investments in construction of buildings, equipment, manure storage, water supply and other startup costs. A portion of these dollars will be spent locally for labor and building supplies for constructing the operation.

Farm Level Annual Economic Impact of the Swine Operation

- The swine operation will generate approximately \$1.81 million in gross revenue per year, including \$87,000 of fertilizer value in the manure.
- An estimated \$3.07 million in economic activity will be generated annually in the state due to the multiplier effect of the annual expenditures of the swine operation. Most of that economic activity will be generated in the surrounding rural area.
- There is a one-time economic benefit of almost \$4.39 million for the construction of the facility.
- The swine operation will spend approximately \$16,000 per year in real estate and property taxes.
- The swine operation will spend approximately \$13,500 per year in insurance fees.
- The swine operation will spend approximately \$53,000 per year in utilities, fuel and oil.
- The swine operation will create 5 full-time equivalent positions with about \$160,000 in labor expenses.
- Indirect jobs in the community supported by swine operation include: equipment repair and maintenance, insurance, banking, custom manure hauling, supplies, and veterinary services.
- Manure distribution is expected to add annually \$41,000 of expenses for labor, fuel, taxes, insurance and repair.
- The swine operation will provide local crop producers with a new market for corn; total corn acreage needed for the operation will be 1,100 acres.
- Slurry manure nutrients from the farrow-finish swine operation provide the annual fertilizer requirements for approximately 1,500 acres of cropland managed in a corn-soybean rotation (750 acres of corn per year receive manure). Landowners would save about \$56/acre assuming fertilizer prices of \$.35/lb N, \$.28/lb phosphate and \$.22/lb potash.