

Lincoln County
Agricultural Development Council

Update of
COUNTY COMPREHENSIVE PLAN

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Submitted by:

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Lincoln County

Comprehensive Plan Update

County Agricultural Development Councils have the responsibility to evaluate the needs of the local agricultural economy. The updated County Comprehensive Plan should identify programs and projects best suited for agricultural development fund investments in the County.

The Governor's Office of Agricultural Policy staff may provide guidance to county councils throughout this evaluation.

1. Overview of County

see attached

a. Agricultural statistics, trends, & projections (i.e. Census Data)

- Traditional agricultural production

see attached

- Non-traditional agricultural production

see attached

- New & emerging agricultural production

One producer will grow 10 acres of hemp for 2015. Good bit of curiosity but acreage currently basically under research and demo stage.

- Tobacco dependency

With less than 50 producers and under 900 acres produced our farmers have very little dependence on tobacco. There are 10-15 producers who have good contracts and derive 70-80% of their farm income from tobacco who are very dependent on tobacco stability.

b. Demographic Data

- Social data

see attached

- Economic data

see attached

2. Assessments of the County

a. Strengths

see attached

b. Weaknesses
see attached

c. Opportunities
see attached

d. Challenges
see attached

3. County Council Objectives

a. Mission/Vision Statement
see attached

b. Short term goals

see attached

c. Long term goals

The long term goal of the board will be to support the expansion and efficiency of our livestock and forage base since it provides the best opportunities to improve farm income. We also support expansion and improvement of grain, horticulture, and new crop production. We are committed to agricultural education programming as we believe that only by education of farm families will prolonged economic growth occur.

d. Tactics for leveraging funds

- Regional partnerships

see attached

- State Agricultural Development Board resources

see attached

- Other local/state/federal resources
see attached

3. Evaluation & Review

- a. How are proposals evaluated and does this process need modified?
see attached

- b. How is success and failure measured?
see attached

- c. How will the county comprehensive plan be revised?
see attached

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Overview of County

Lincoln County is located in the southeast part of central Kentucky and is a part of three major geographic areas of the state-the Outer Bluegrass, the Knobs and the Eastern Pennyroyal area. This creates a lot of diversity for land types in different parts of the county. The topography ranges from flat fields, to generally undulating to hilly. The topography, soil types, fertility levels and drainage makes the majority of the land very suitable for forage production and livestock operations. No-till farming has helped increase acreage suitable for row cropping. Farmers are able to have good forages, good livestock numbers, generally enough land suitable to grow their livestock's grain needs.

There are 1202 farms in the county with the average size being 150 acres. There are about 1100 actual farm operations. There is a total of 180,755 acres of farm land. 40% is in crop production, 35% in pastureland, 20% in woodland and 5% other uses. Forty-one percent of the farms are less than 50 acres in size. Twenty percent of the farms are 50-100 acres in size. Twenty-one percent of the farms are 100-200 acres. Ten percent of the farms are 200-500 acres. Eight of the farms are 500 acres or more in size. Fifty-eight percent of the farms have ag product sales of \$10,000 or less. Eighty-three percent of the farms have product sales of \$50,000 or less.

Livestock production is the biggest farm income producer. There are over 700 cattle producing farms in the county running around 60,000 head of cattle, which ranks the county 3rd in the state of cattle production. There are 46 dairy farms in the county producing 50 million pounds of milk ranking the county as the 5th largest milk production county. Hogs, sheep and poultry numbers are very minimal. There is a steady increase in the number of pleasure horses in the county. Goat production has increased in the past 10 years to around 40 producers ranking Lincoln as one of the leading goat counties. Lincoln is home to one of the best goat marketing outlets in the state.

Lincoln County ranks 2nd in alfalfa production from the 9000 acres grown. There is also around 34,000 acres of other hay crops grown ranking Lincoln 7th in the state for all hay production.

Horticulture crop acreage has been on the increase thanks to the Lincoln County Farmers Market and Produce Auction's successes. There are around 40 farmers producing horticulture, crops on less than 300 acres. Lincoln ranks 5th in total horticultural production in the state.

The agricultural leadership is active in local and state farm organizations and community affairs. In general, the public has a good awareness of the importance of agriculture to our county's economic well-being and to our enjoyable rural life.

Agribusiness is very important to the county. Farm supply stores, stockyards, equipment dealers, hardware stores, rock quarries and many other businesses are dependent on a strong agricultural economy. Census statistics show that one out of every three jobs in the county is directly related to the agricultural industry. Agriculture and related industries account for 32.7% of the county's total county employment.

The total cash farm receipts annually in the county are around \$57 million. Livestock receipts are at \$39 million. Dairy income from these receipts is around \$7 million. The receipts from beef cattle are \$30 million. So beef cattle production generates 77% of the livestock income in the county and 53% of the total farm receipts. Crop receipts total around \$17.5 million. Tobacco accounts for \$3 million of crop receipts. Grain crops produce around \$7 million of crop receipts. Hay sales are around \$5 million. Farming generates a big gross receipt, but the net farm income figure is less than half with the average year generating \$20 million of net farm income.

The county is easily accessible by three U.S. Highways: US 150, US 27 and US 127. The county is close to major metropolitan areas being 40 miles south of Lexington, 90 miles southeast of Louisville and 130 miles north of Knoxville, Tennessee. Urban sprawl keeps moving this way from Lexington, Somerset and Danville resulting in loss of farm land each year and a steady rise in the price of land. These factors are greatly affecting

farm expansion and farm profitability. However, folks wanting the rural way of life are doing farming as part time on a small scale. Over 80% of the farm operations are operated by farmers who also have at least one of the family members with off farm income or who have retired from off farm jobs.

a. Agricultural statistics, trends, & projections (i.e. Census Data)

*Traditional agricultural production

- *Cattle & calves-59,000 head, 3rd in state rank; 835 farms about 25 acre background or stocker operations.
- *Beef Cows -21,500 head on 638 farms; 349 farms (55% of operations) have less than 20 head; 249 farms (40% of operations) have 20 to 100 head; only 40 farms have over 100 cows. Herd sizes are growing 8th in state rank.
- *Milk cows-46 permitted dairy farms with around 2700 milking cows; annual production just above 16,500 pounds; 75% of farms milk 50 plus cows. No herds over 200 cows, 6th in state rank. Herd sizes growing. Number of herds increasing as Mennonite and Amish dairy families are purchasing land.
- *Goat production- about 40 farms with over 100 goats. Good local market center. Disease, labor and price are leading to reduction in farms and herd size.
- *Tobacco-less than 50 farmers producing around 850 acres. 2200+ pounds per acre yield. Reduced contracts resulting in fewer growers and less acres.
- *Corn for grain-8500 acres grown on 140 farms; 10 farms with over 250 acres; 109 farms have less than 100 acres; yields range from 100-200 bushels/acre. Total acreage had grown due to high prices in 2010-2013 stabilized in 2014. Small decreases likely next few years, operators increasing in size and number of operators decreasing.
- *Corn for silage-3000 acres grown on around 60 farms. Yields of 20 tons/acre very common. Fifty percent of farms have 25 acres or less with 48 at 25 to 100 acres. Average per operator is growing due to cattle feeding and number of operators increasing due to new dairy operations.
- *Soybeans-Around 10,000 acres grown on around 50 farms. Yields range from 40-70 bushels usually, but is increasing. Acreage had been growing, but is now stabilized.
- *Alfalfa-8500 acres grown on 250 farms. Yields average around 4 tons per acre, but good managers average around 6 tons per acre. Forty percent of the acreage is for hay sales with remainder going to livestock. Acreage steadily grew in past 10 years, now stabilized but may start growing again, due to less tobacco contracts and reduced grain profits. Lincoln ranks 3rd in state for acreage.
- *Other Hay-32,000 acres grown on over 800 farms ranking Lincoln County 7th in Kentucky. Average yields are 2 tons/acre, but better managers with 20,000 improved acres have yields at 3-4 tons per acre.

*Non-traditional agricultural production

Produce-40 farmers producing around 300 acres of vegetables, fruit and nursery crops. About 70% of produce is sold through the Produce Auction. The Farmers Market demand is high and the supply of growers and produce is growing. Roadside and on-farm sales are growing. Produce Auction demand is very strong and growing creating need for more growers.

Agritourism-Very minimal. Limited to a pumpkin patch, trail rides, Amish stores, small hobby farms with eggs, butter, milk and value added products.

Horse-Very minimal. Mostly hobby operations. Two small riding school/training facilities. Two small walking horse training facilities.

b. Demographic Data

Social Data

- 1202 farm operations
- 76% fully owned
- 18% part owned
- 5.9% operated by tenants
- 9% of farms operated by women (108 farms)

1.7% (12 farms) operated by African-American
 550 of the operators list primary occupation as farmer, thus 46% farms operated by full time farmers.
 Average age of farm operators-57 years of age
 County Population-24,445 (dropped 1.2% past 5 years)
 16% of population over 65 years of age
 23% of population under 18 years of age
 2.4% of population African American
 1.6% of population Hispanic
 9692 households

Economic Data

Value of land and building used for farming \$449,978,000
 Value of crop sales (2012 census) \$17,546,000
 Value of livestock sales (2012 census) \$39,823,000
 Average per farm of agriculture products sold \$47,729

Farms by Value of Sales	Number of Farms
Less than \$1000	270
1000-2499	116
2500-4999	124
5000-9999	183
10,000-19,999	147
20,000-39,999	114
40,000-49,999	38
50,000-99,999	93
100,000-249,999	54
250,000-499,999	41
500,000 or more	22

Only 8.9% of farm products are marketed through: direct to retail, value added product, CSA, and on farm packing. This represents a very very small percentage of the county's total agricultural economy. Demand for this marketing is growing, but the small profit potential and related market risks will greatly limit any growth.

Total cash receipts (2012 census) -\$57,370,000

Approximate receipts by commodity:

Beef-\$30 million; Dairy-\$7 million; Goats-\$690 thousand; Grain-\$9 million; Tobacco-\$3 million; Hay-\$5 million; Horticulture-\$2.1 million. Miscellaneous crops: Equine, Agritourism, etc.-\$.5 million.

Assessments of the County

A. Strengths

1. Lincoln County has much strength for the agricultural industry. It has been a strong agricultural community from the time it was settled as one of Kentucky's original three counties. The abundance of forage brought early settlers to this county with their livestock. From then to now the largest income producing enterprises have been beef and dairy production. Farmers have complimented their livestock with the growing of good feed crops. Lincoln County farmers have been recognized as innovators in improving their feed crops and livestock. They have sought assistance from the U.K. Extension Service and other agencies to help them learn how to make improvements and better profits. Farmers continue to have that desire to get the recommendations needed to make improvements.

2. Lincoln County farmers have a cooperative spirit and want to work together to help agriculture. Evidence is seen here in the very strong county farm organizations including Lincoln County Farm Bureau, Lincoln County Cattlemen's Association, Lincoln County FFA Alumni & Young Farmers, the Lincoln County Beekeepers

Association and a Conservation District, and the Dix River Dairy Association. The leadership is very strong in their thinking and work. All of the local leaders are active leaders in area, state and national farm organizations.

3. Lincoln County location is strength because it is close to urban areas and access to good transportation routes and outlets.

4. Lincoln County has great agricultural education and service facilities. The U.K. Extension Office is well located and equipped to teach, train and advice producers. Other USDA Government offices are located beside the Extension Office creating a one-stop agricultural complex. The Lincoln County High School has a vocational center that is available to help with educational programs. There are 8 farm supply and equipment dealer outlets in the county. In addition, there are numerous farmer dealers of seed supplies. A new state of the art stockyards, Bluegrass South, opened in 2007 and has become an outstanding beef marketing center for the area. The Central Kentucky Livestock Center in Lincoln County continues to be a great market for goat sales.

5. The farms here are diversified with feed crops, livestock and cash crops which help provide stability to farm income. The tremendous forage base will keep livestock a growing and thriving industry with beef production being the big enterprise.

6. Since the economics of farming on the scale of most operations in the county is limited, these part time farmers need public jobs. The county is fortunate to have a good supply of light industry and manufacturing jobs in the county and surrounding counties available. The stability of these jobs has helped our part time farmers greatly expand and improve their operations thus producing good farm income and profits to supplement their off farm income.

7. Another strength is the number of young farmers involved in farming in the county. The county is above average on the number of young folks remaining on the farm. Many stay as father and son partnerships as the heritage of the farm passes on to another generation. Off farm employment has also helped young farmers come back to live on a farm and do part time farming.

B. Weaknesses

1. There is a shortage of good dependable labor available.

2. Some farmers are resistant to make changes for improvement. They have always done it one way and are hesitant to try something different. They are satisfied with what they are producing and have little desire to learn ways to do better. Good educational programs are available but too few take advantage of the opportunity.

3. Most farmers think production, but spend little time on marketing and business management.

C. Opportunities

1. There is a good opportunity to expand and enhance livestock production thus increasing agricultural income significantly. The county has a strong forage base that is so complimentary to livestock production. Better utilization of pasture with rotational and intensive grazing programs could help increase cattle numbers and livestock income by 25-30%.

2. Improvements in forage production will help livestock numbers grow but will also create a larger volume of hay for increased cash sales income.

3. There is the opportunity to expand grain acreage. This is limited somewhat by the topography of the land, but no-till planting programs can help with this opportunity.

4. Since acreage has to be purchased or rented for expansion producers have to better utilize and manage what is available. This better management of cropping and livestock systems will create more income.

5. Farmers can take advantage of the close proximity of urban areas to market some of their produce and other added value products.
6. Timber is a crop that if managed properly could generate a good deal more dollars of agricultural income, so landowners need to work with agencies to learn good timber management practices.
7. Farmers can learn to increase farm income by increasing their participation in Extension education activities, Vo-Ag Adult Agriculture Education programs and farm organization activities and programs. The educational assistance is there, but too few farmers use it, so there is a tremendous opportunity for farmers to improve their management skills and farm income by utilizing the education and service opportunities available already to them.

D. Challenges

1. Urban sprawl is raising the price of farm land making it hard for farmers to buy land for expansion and show a profit.
2. Environmental regulations are needed but they must be practical and sensible for agriculture and environmental protection. Livestock facility improvements without more cost share per farm will threaten farmer's survival in the livestock business.
3. Fewer young folks are getting into farming because of the cost and the work load for limited profits. Without some way to improve transfer of property or use of the property from older landowners to younger farmers, this situation will even create less young farmer involvement in the agricultural industry.

County Board Objectives

A. Mission/Vision

The board has a vision of promoting and encouraging projects and programs that will enhance agricultural production and expand the agricultural economy of the county. The board's mission is to: invest KADF dollars as a catalyst to the ag community for ideas that add value and build upon the strong and unique agricultural base of Lincoln County, build upon the cooperative strength of our people to maximize the impact of these monies upon the greatest number of people, educate our farm families not only in ways to improve production practices but also improve their business skills by improving marketing skills, forming alliances, buying cooperatives and other methods of working together to improve the quality of life for all, leverage the funds by requiring all participants to invest proportionately from their own funds and administer the funds in a fair and equitable manner giving all an opportunity to be involved as outlined in the county comprehensive plan.

B. Short Term Goals

1. Inform individuals and groups about the opportunities and funds available through the County and State Ag Development Funds to create new enterprises and expand and improve efficiency in established production systems.
2. Encourage farm groups and organizations to develop proposals that will increase the agriculture base of the county and affect the greatest number of farm families. We suggest that no farm operation receive over \$7500 of KADF annually. Group proposals to help numbers of farmers should not be included in the \$7500 cap regulation, but individual producers within the group would be limited to the \$7500 cap. In order to get the best economic results from the KADF money, we encourage all requests to come through an organization or as a group of farmers to get better use of funds and to insure that producers receive educational assistance and technical help with design and implementation of projects and practices.

We feel the biggest short term benefit for Lincoln County farmers is with livestock and forage systems and encourage all farmers to look at ways to expand and improve livestock and forage production.

*Specific projects for livestock improvement and expansion in the short term should include these projects and practices as well as other proven practices and projects:

- Genetic Improvement through bull and heifer purchasing cost share and A.I. cost share programs
- Group marketing of similar genetic cattle and cattle from various farm managed in very similar conditions
- Improve cattle handling facilities cost share to put recommended practices into place including: bull lots, working chutes, scales, corrals, feeding pads, water facilities, etc.
- Programs to help dairy farmers with production testing and herd evaluation through record keeping.
- A cost share program and funds to help dairy farmers improve facilities and equipment

*Specific projects for forage systems improvement and expansion in the short term should include:

- Programs for water facilities and fencing to promote better pasture management through rotational grazing
- An establishment and renovation cost share program for improving grass pastures and hay fields by adding clover, alfalfa, or improved grasses.
- Programs to help producers get better feed storage and feeding systems to improve feed quality and thus profits.
- A program to help hay producers develop and promote a hay marketing group with assistance to help with advertisement programs, scales, marketing center, etc...
- A program to help farm organizations secure no-till seeders, cult packer seeders and drills for forage improvement as well as equipment for improving storage including silage balers, wrappers, etc...

We also see some short term potential for expansion and improvement for cash crop farming thought not nearly as great as for livestock and forage systems. Specific projects should include:

- Support of regional grain marketing and feed processing facilities.
- Programs for grain storage and handling equipment.

New and emerging enterprises have some potential but provide opportunities for a very small number of farmers. These are high risk enterprises with often high capital outlays therefore; we would suggest a limited cost share program to help with startup and trial projects.

- Cost share for small fruit, large fruit and vegetables trial projects
- Cost share for roadside market, farmers market and produce co-op development.

*We see that there is so much technology already available and that if producers would adopt the technology and recommended practices their farm income could greatly improve.

We feel that all CAIP projects must have an educational portion included and we suggest that participants take part in pertinent supervised educational training programs.

3. Encourage and promote pilot and demo programs that have the ability to demonstrate to others new and profitable agriculture enterprises.

d. Tactics for leveraging funds

*Regional partnerships

Participating in regional partnership projects will be given good consideration if the projects sufficiently address the Lincoln County Comprehensive Plan and its initiatives. Proposals coming from Lincoln County individuals or groups that have the potential to enhance the agricultural industry across county lines will be encouraged to seek support from other counties as well as from KADB. The LCADC will expect proposals to show evidence of in-kind matching money or other support equal to at least 50% of the total project cost as they feel this creates better commitment to project success. Proposals should clearly outline to whom the funds will be directed to and whom will directly administer the project.

*State Agricultural Development Board resources

Project applicants presenting projects that will affect the improvement of agriculture for more than Lincoln County will be encouraged to see state funding to compliment Lincoln County funding thus further enhancing the success of projects that can make a real difference for improving the agricultural revenue for Kentucky farmers and communities.

LCADB will support projects with good potential for agriculture enhancement as long as they sufficiently address the goals and initiatives of the County's Comprehensive Plan.

*Other local/state/federal resources

The LCADB will encourage project applicants to try and secure funding from other sources to compliment any funding for the KADF. The LCADB will support and assist with these contact efforts.

Evaluation & Review

a. How are proposals evaluated and does this process need modified?

- Proposals will be evaluated on their perceived potential to increase the area's agricultural income through production improvements and efficiency, improved marketing, expansion of the scope current enterprises, development of new enterprises and a broadening of the educational base.

- The county board will determine how well each proposal fits into the County Comprehensive Plan and its goals and initiatives.

- Priority will be given to requests by groups, associations and agencies that will have greater impact on the agricultural economy of the county and on a greater number of producer's farm income. Investments that benefit more farmers will receive a higher priority over more narrowly targeted projects.

- Investments that will lead to higher incomes and net profits for farmers will receive a higher priority.

*The County board members and support staff will accept completed grant applications. The County Council will meet on a timely basis to review and evaluate applications for proposals for county funds. They will prioritize and budget the county's funds based on the evaluation tools presented herein and by evaluation tools provided by the State Board.

CAIP applications will be evaluated using an annually state approved evaluation format.

Project applications considered for funding by the board will be evaluated based on:

1. Number of people impacted by the proposal
2. Applicants funding share to the project
3. Can it become self-sustaining?
4. Does it sound practical and provide the necessary supporting documentation?
5. Does the project provide a realistic opportunity to increase farm profitability?
6. Will the applicant share knowledge gained and can it be duplicated?
7. How well does it fit the county/state comprehensive plan?

b. How will success and failure be measured?

Applicants will be asked to provide reports to the board on the progress of their projects. Applicants will be encouraged to share their successes with other farmers through field days, meetings, tours, etc.

The success or failure of each project will be based on the goals of the project, its impact on farm profitability, impact on the agricultural economy, how many people were impacted, and how the project help the sustain ability of the family farm.

c. How will the County Comprehensive Plan be revised?

An annual review with public input and agricultural leadership input will be used to gather ideas on improving the plan. The Council will then make any necessary revisions and update the plan.

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