



THE STATE OF THE COLLEGE OF AGRICULTURAL AND LIFE SCIENCES

Michael P. Parrella, Dean
Senate Agricultural Affairs Committee
February 6, 2024



University of Idaho

College of Agricultural
and Life Sciences



MORRILL HALL



Ca. 1906



Today



CALS BY THE NUMBERS

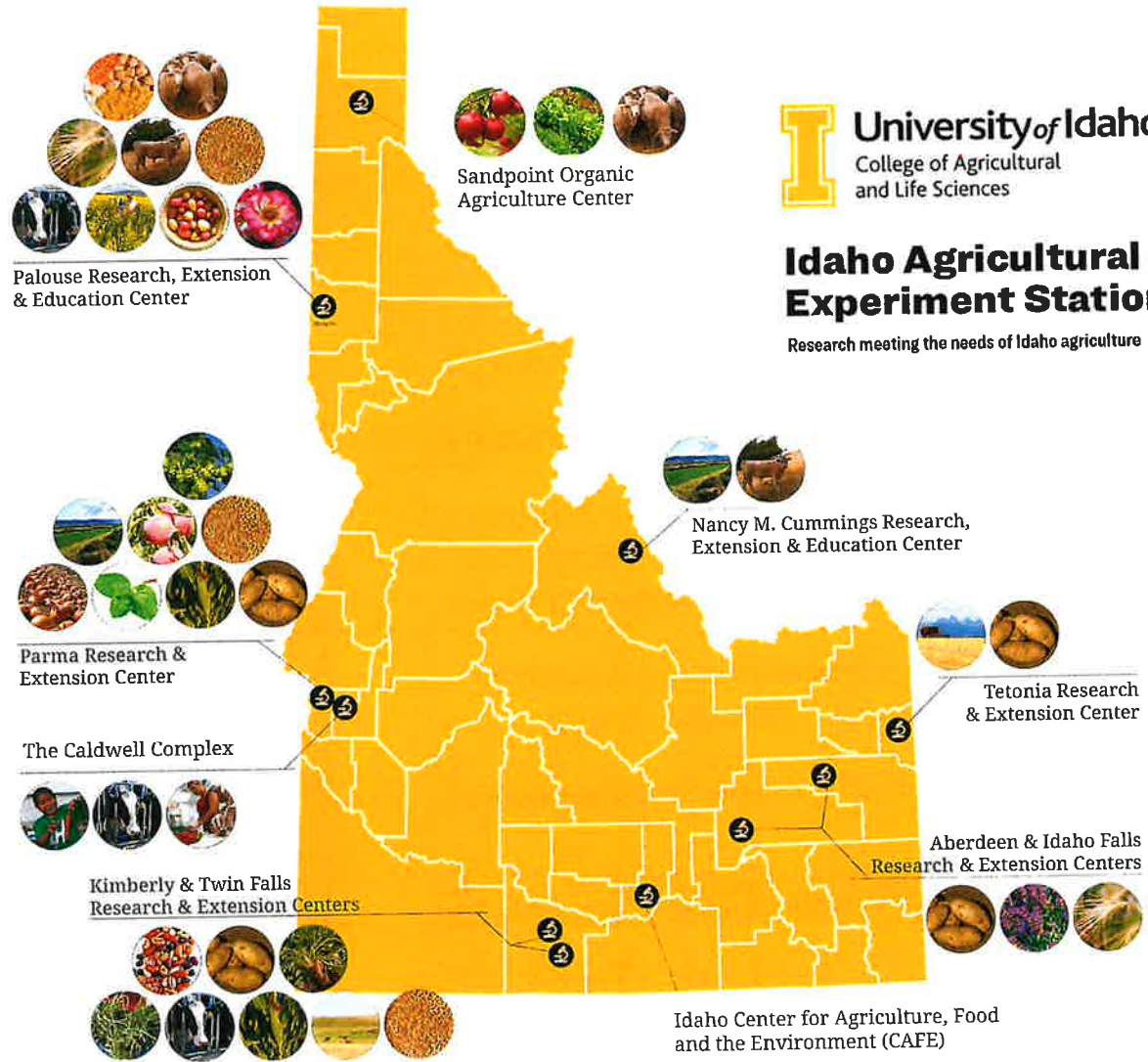
- Ranked 22nd top college of agriculture in U.S.
- Over 75,000 Idaho youth involved with UI Extension 4-H Youth Development
- Over \$1M in scholarships awarded
 - Most of any college at U of I
- Only institution in Idaho to prepare ag teachers
 - 95/113 school districts have ag programs
 - 90% ag teachers have CALS degree
- Top college at U of I in research expenditures
 - 35% of sponsored project activity
 - Generated \$91 million in FY23



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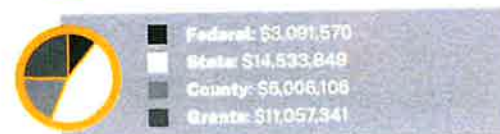
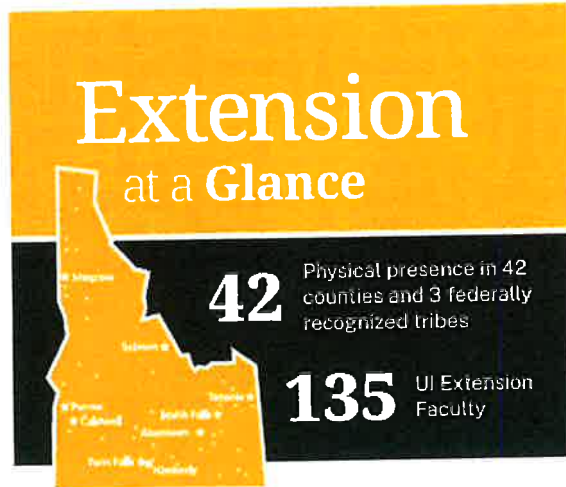
Idaho Agricultural Experiment Station

Research meeting the needs of Idaho agriculture





UNIVERSITY OF IDAHO EXTENSION



UNIVERSITY OF IDAHO EXTENSION

- Provides reliable, research-based education and information to help people, businesses and communities solve problems, develop skill and build a better future.
- Statewide network transforms knowledge into solutions, focusing on topics that matter to you most:
 - Small- and large-scale sustainable agriculture
 - Home horticulture – **Idaho Master Gardeners**
 - Natural resources
 - Health and nutrition – **Eat Smart Idaho**
 - Food safety
 - Personal finance management
 - Community development – **Adult Computer Literacy**
 - Youth Development - **Idaho 4-H**

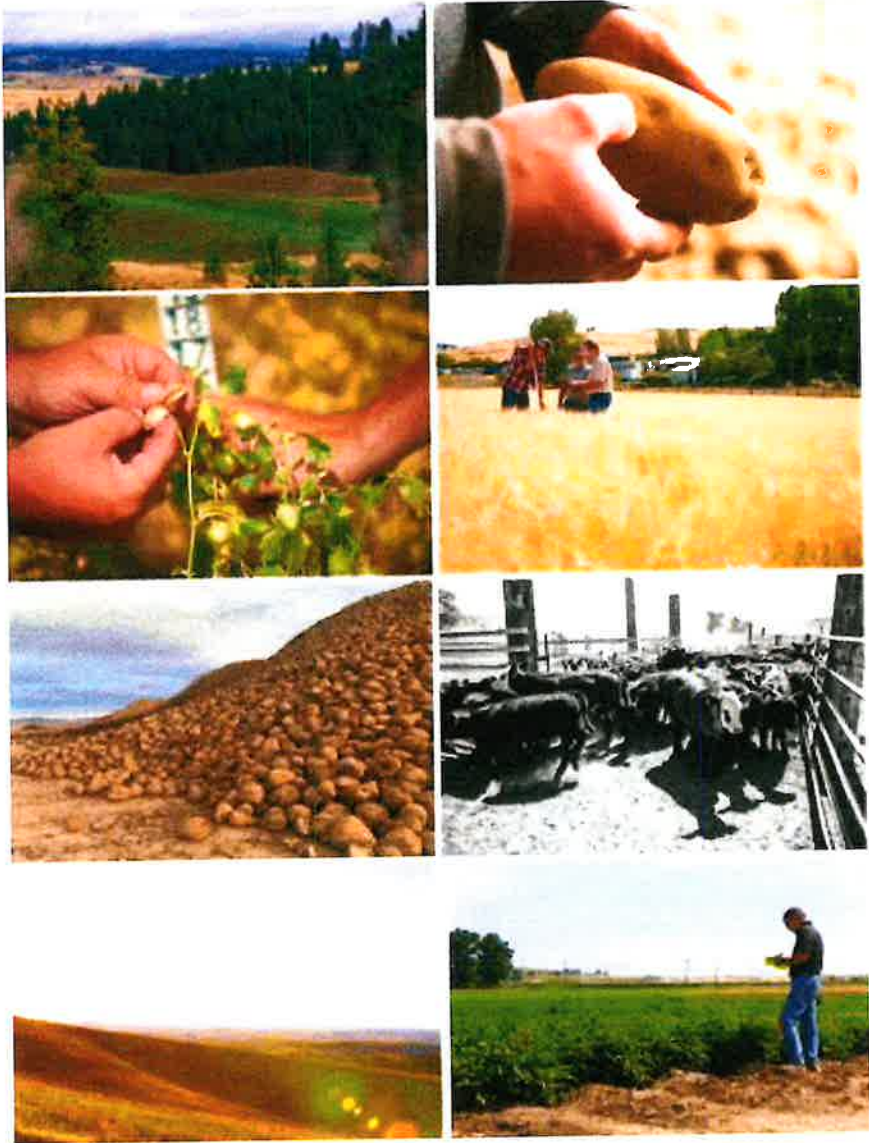


STATEWIDE INITIATIVES



IDAHO CENTER FOR AGRICULTURE, FOOD AND THE ENVIRONMENT (CAFE)

- Building the nation's largest research dairy – 2,000 cow herd
- Will improve the footprint of the Idaho dairy industry
- Conducting research at a scale representative of Idaho's industry
- Will provide critical teaching, research, Extension, outreach and workforce development
- Jan. 2023 Bids open for construction of research dairy
- Apr 2023 Raised nearly \$9MM in private contributions; ongoing fundraising
- May 2023 Construction began at research dairy
- Early 2025 First cows milking at the research dairy



INNOVATIVE AGRICULTURE & MARKETING PARTNERSHIP - IAMP

- \$55MM grant – largest in university history
- 1 of 17 projects awarded to universities nationwide
- Unique in that project scope is entirely within Idaho
- Will incentivize adoption of production practices to enhance soil and water quality
- Participating commodities include beef cattle, barley, chickpeas, hops, potatoes, sugarbeets, and wheat
- Lead researchers currently building the infrastructure to enroll project participants



University of Idaho
Extension

THE FINANCIAL CONDITION OF IDAHO AGRICULTURE, 2023

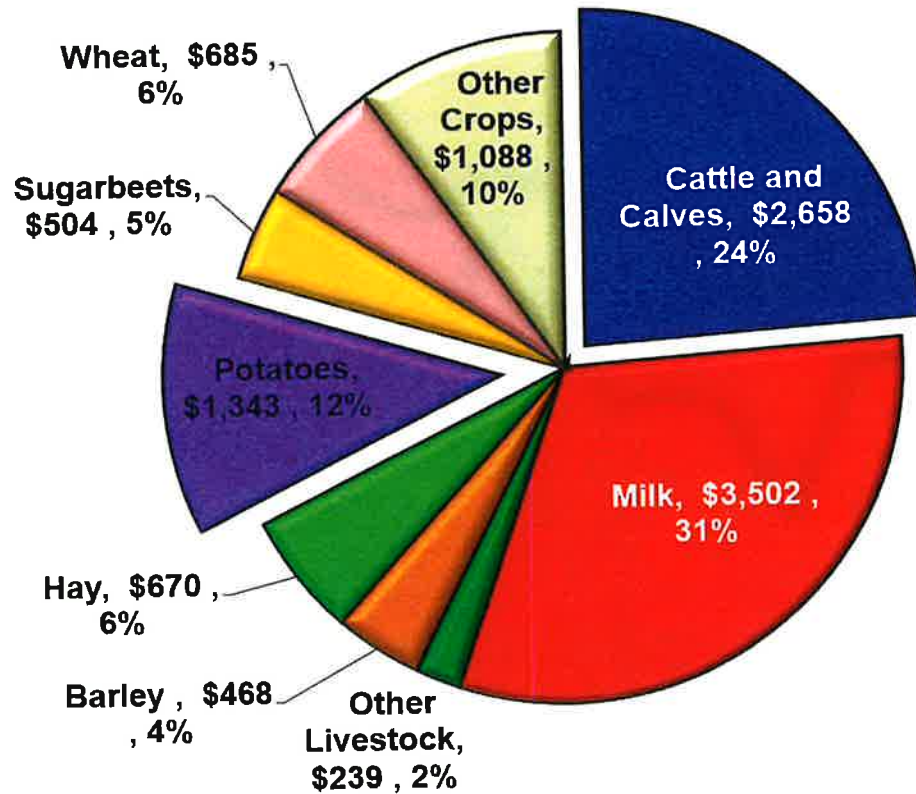
Brett Wilder, *Assistant Professor & Area Extension Educator*
Xiaoxue "Rita" Du, *Assistant Professor*

February 6, 2024



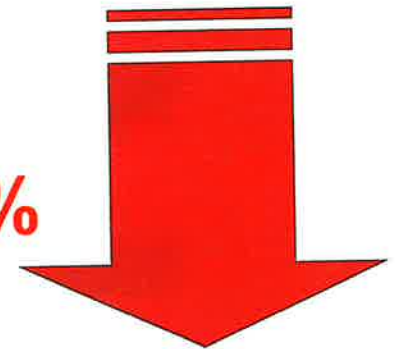
2023 Just Below All-time Highs

Idaho Cash Receipts, 2023F (\$ Millions)



\$11.3 billion, 2022

down 1%



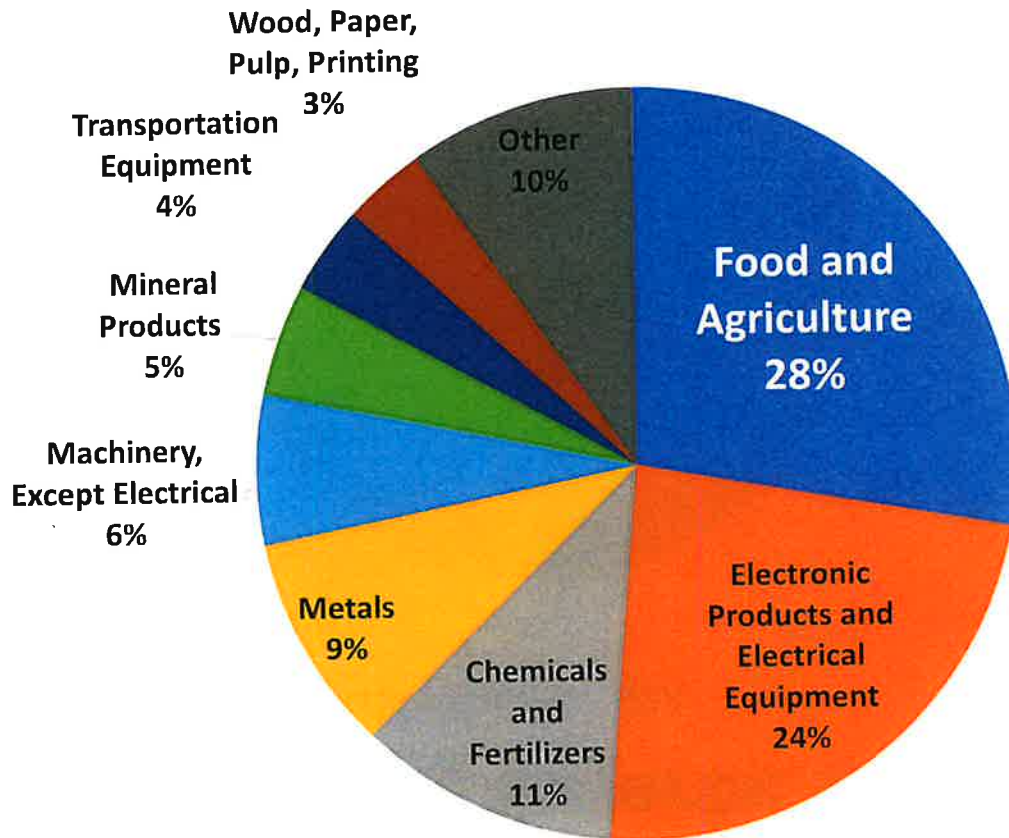
\$11.2 billion, 2023*

Source: University of Idaho

Idaho Exports: Ag Over a Quarter



2022 IDAHO EXPORTS BY INDUSTRY



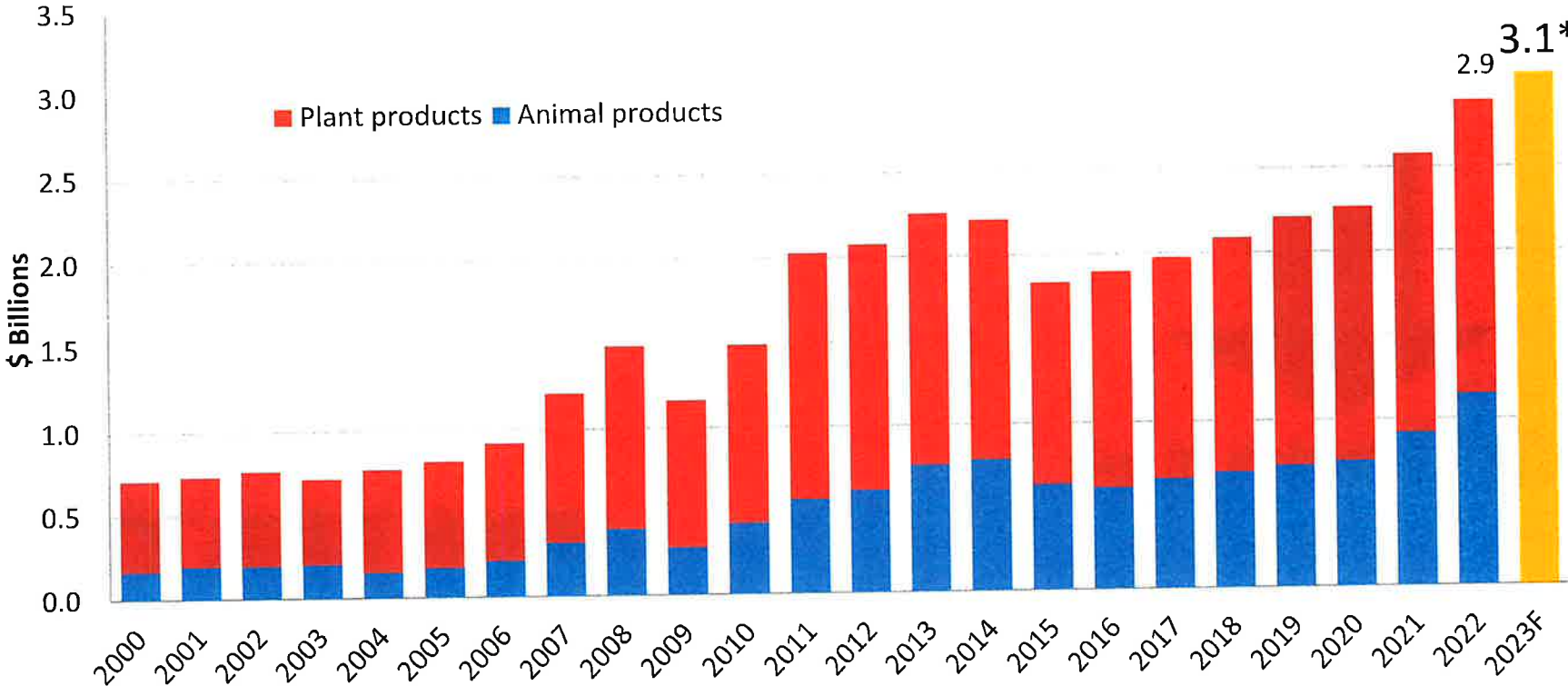
Source: U.S. Census

- 2022, Idaho's total export \$4.1 billion
- Food and Ag export \$1.1 billion
- 2022 Ag export at a record high
- Canada and Mexico 47%
- Dairy, potatoes, wheat

IDAHO AG EXPORTS AT RECORD HIGH IN 2022



Idaho Ag Exports, 2000 to 2022



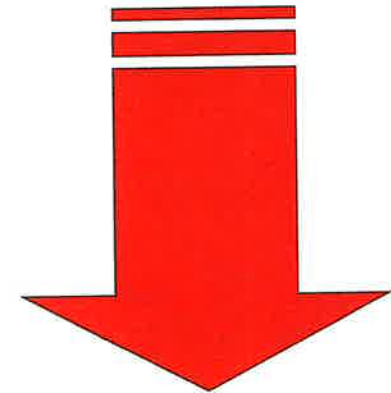
Source: USDA ERS



Idaho 2023 Net Farm Income - Expected to be down

- Revenues are expected to be down only 1%
 - Biggest decliner is Government Payments (Forecast down 22% to 153 million)
- Most inputs were flat or slightly lower
- What's driving tighter Net Income?
 - Interest expense expected to be up 42% (\$714 million)
 - Property taxes, net rents, labor, custom hire expenses and non-cash employee compensation are all expected to be up 4-10%

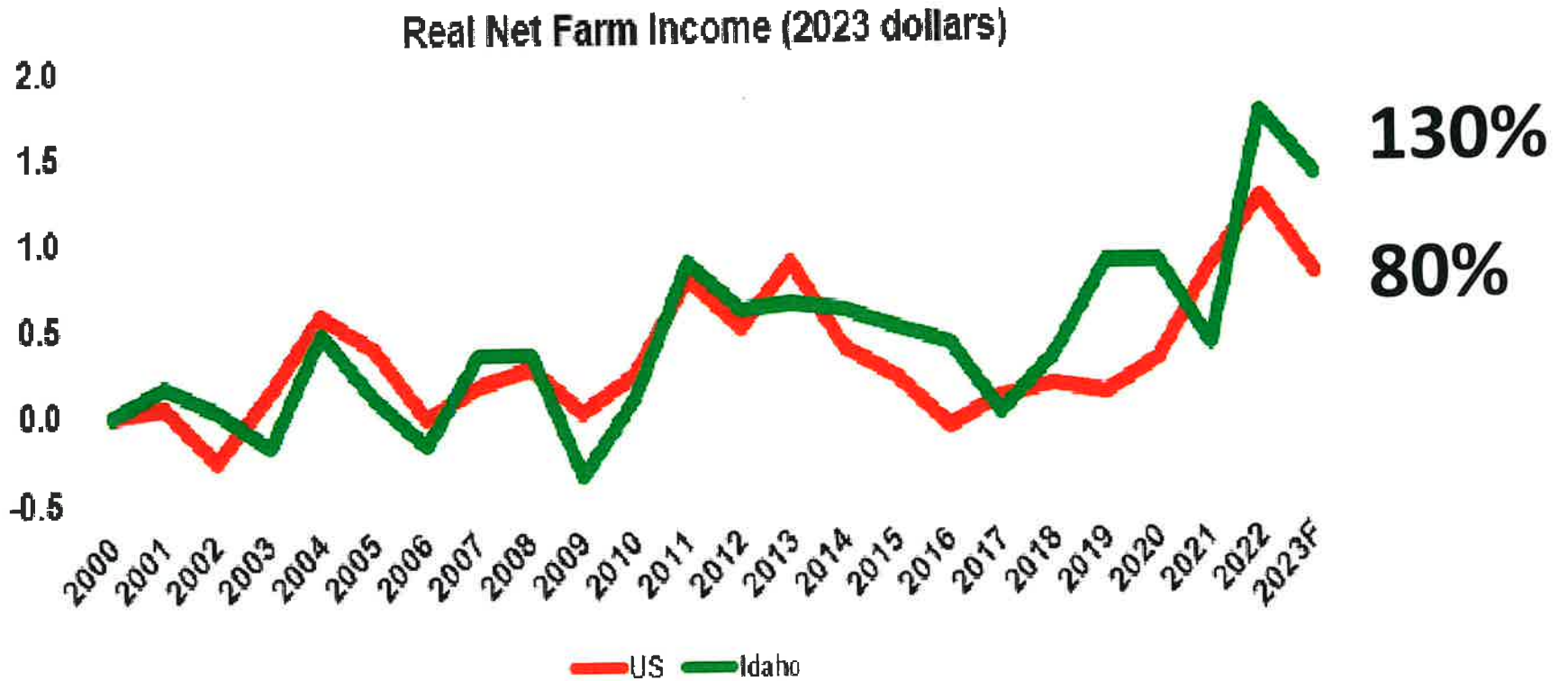
\$4.2 billion, 2022



\$3.8 billion, 2023*

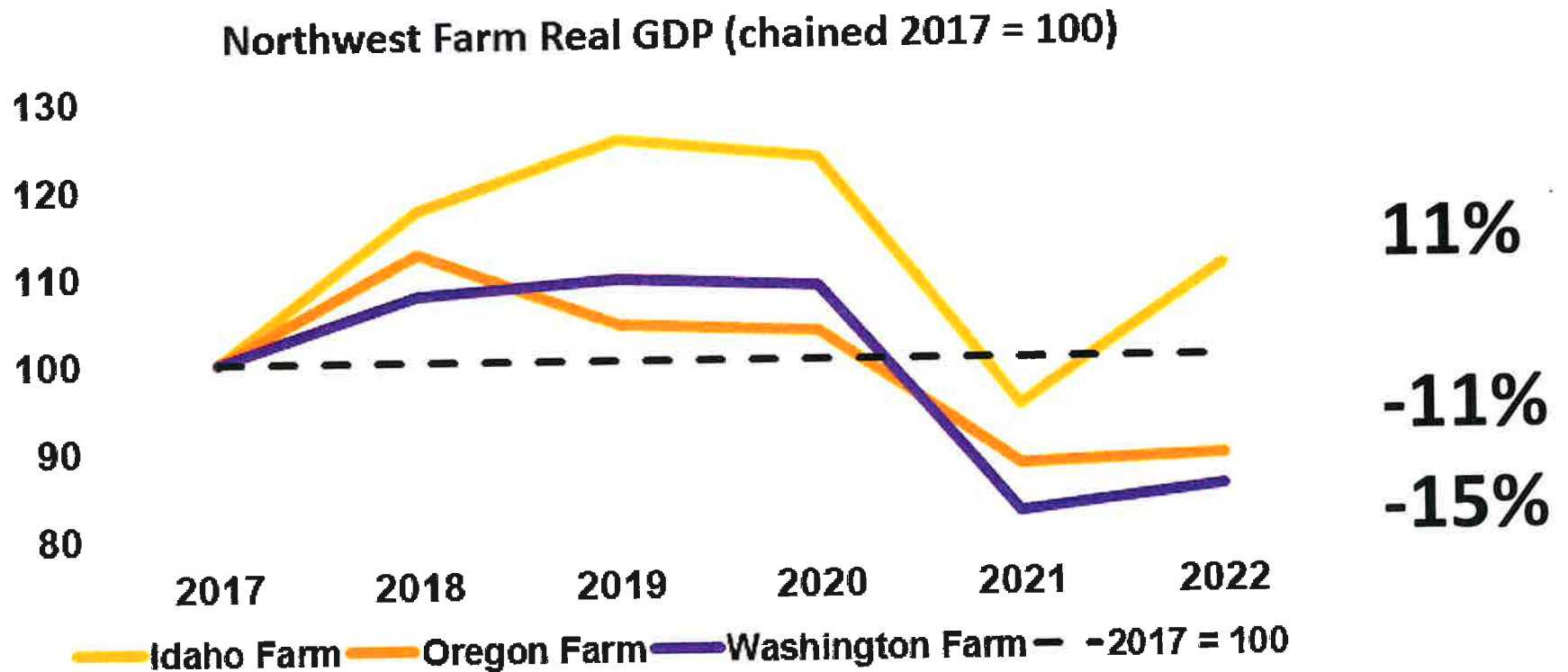
Source: University of Idaho

Idaho vs US Real Net Farm Income



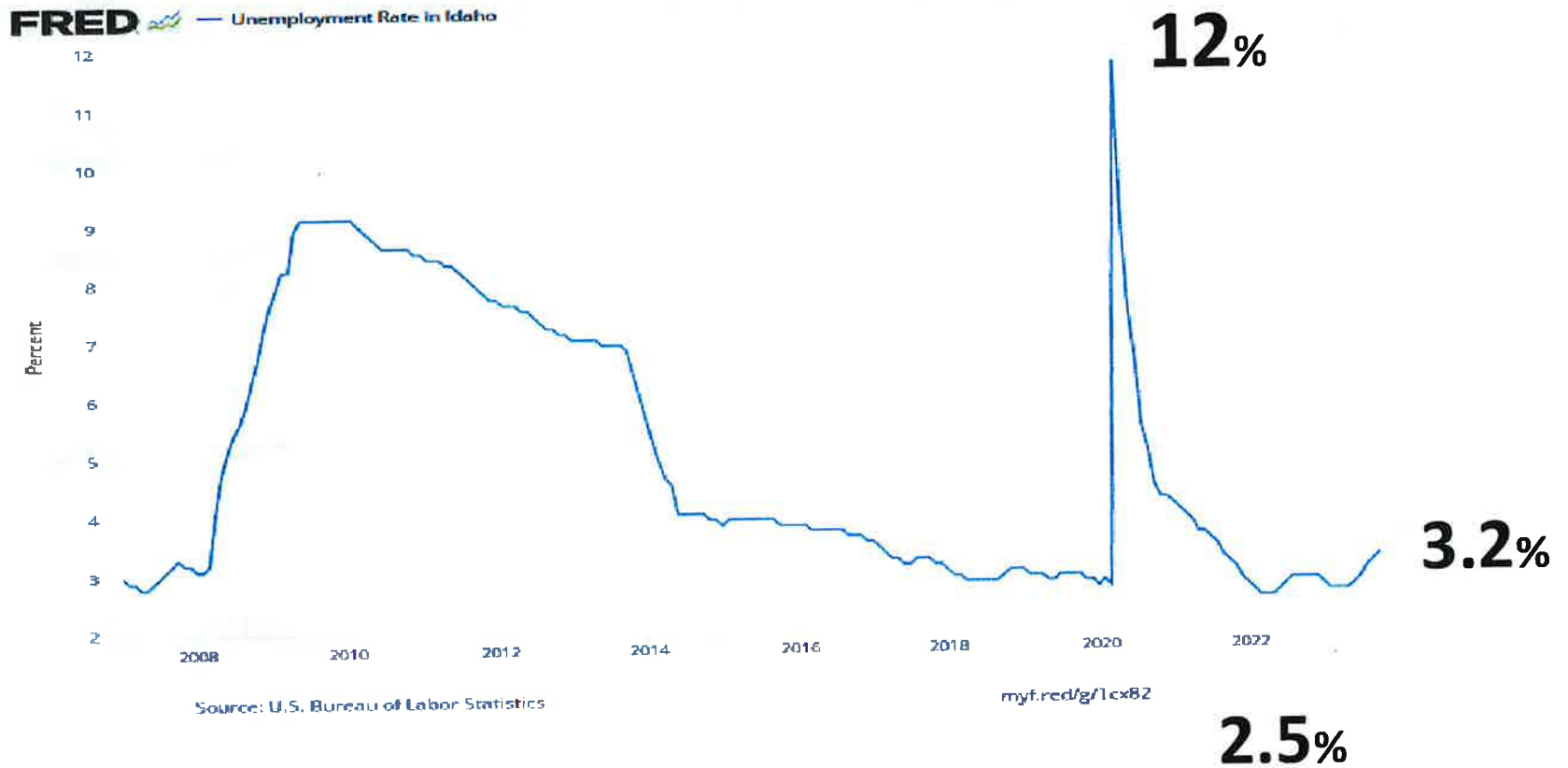
Source: USDA-ERS, University of Idaho

Idaho Farm GDP Leads the Northwest



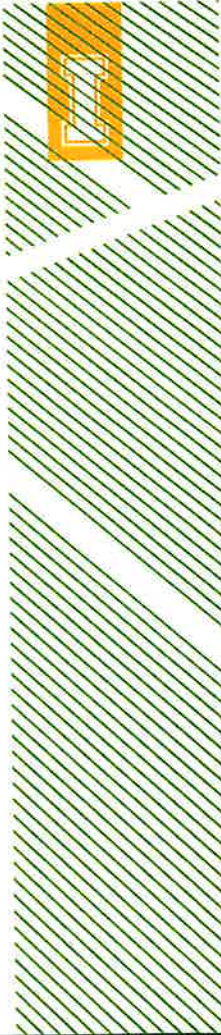
Source: BEA

Idaho Unemployment: Jan 2007 to Oct. 2023



Land Value Trends in Idaho - Considerations

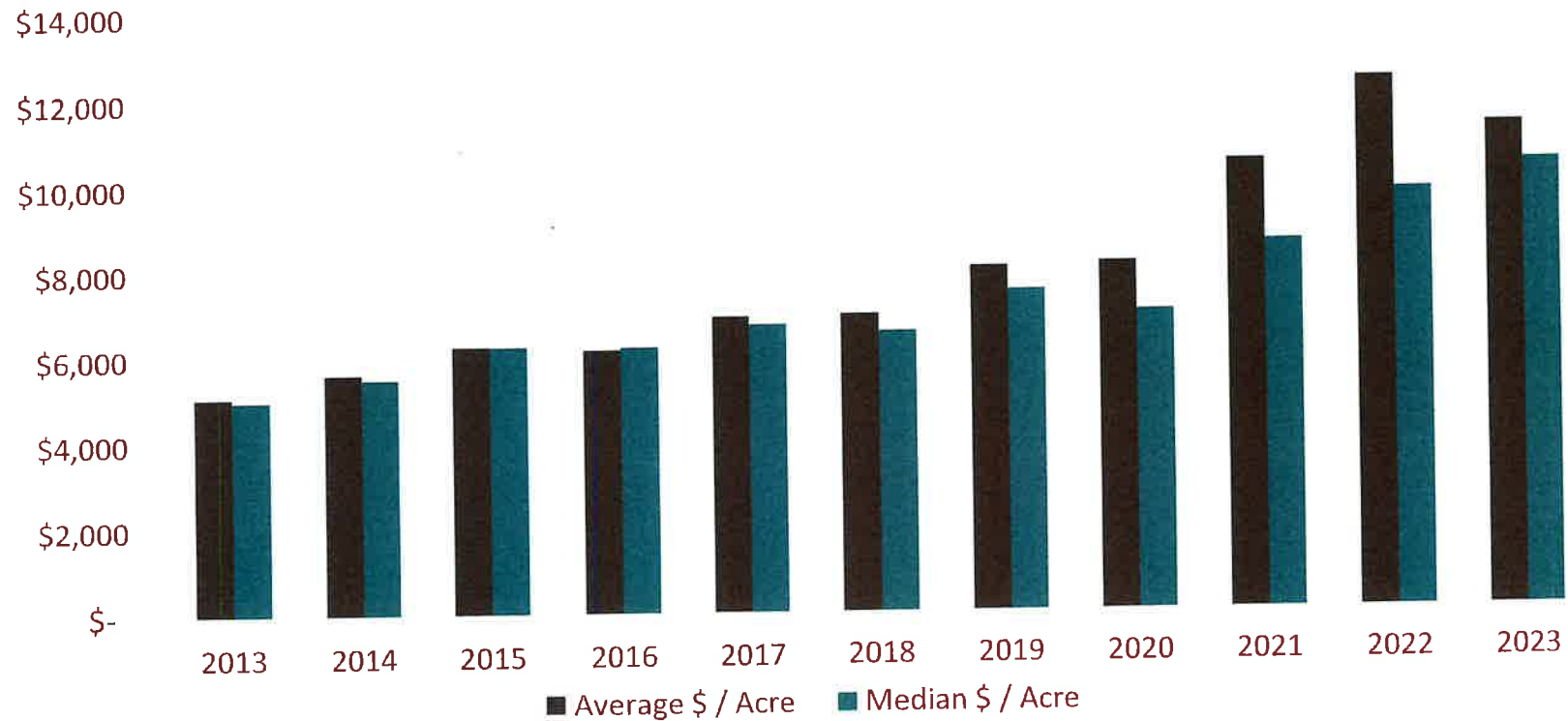
- The following graphs illustrate the average and median dollar per acre for agricultural properties in Idaho, forty acres and greater in size since 2013.
 - Included sales data is agricultural in nature, but includes a wide variety of property sizes and types
- The data is a macrocosm over a wide geographic area, based on AgWest Farm Credit's proprietary sales database.
- The data can be skewed by:
 - The influence of higher priced properties in certain locales
 - A higher number of transactions in lower priced areas relating to lack of supply of higher quality properties, thus affecting the average price.
- Unlike commodities where prices can change rapidly, real estate values typically change at a slower pace.
 - Confirmation of real estate transactions lags about 3-6 months.
- Anecdotal evidence suggests that the lower average prices shown (especially in 2023) is attributed to a lack of supply of high-quality properties rather than a decreasing demand or decreasing land values.
- There is strong demand for land across the state, with a limited supply available.



Land Value Trends in Idaho – Entire State

Average and Median Land Values

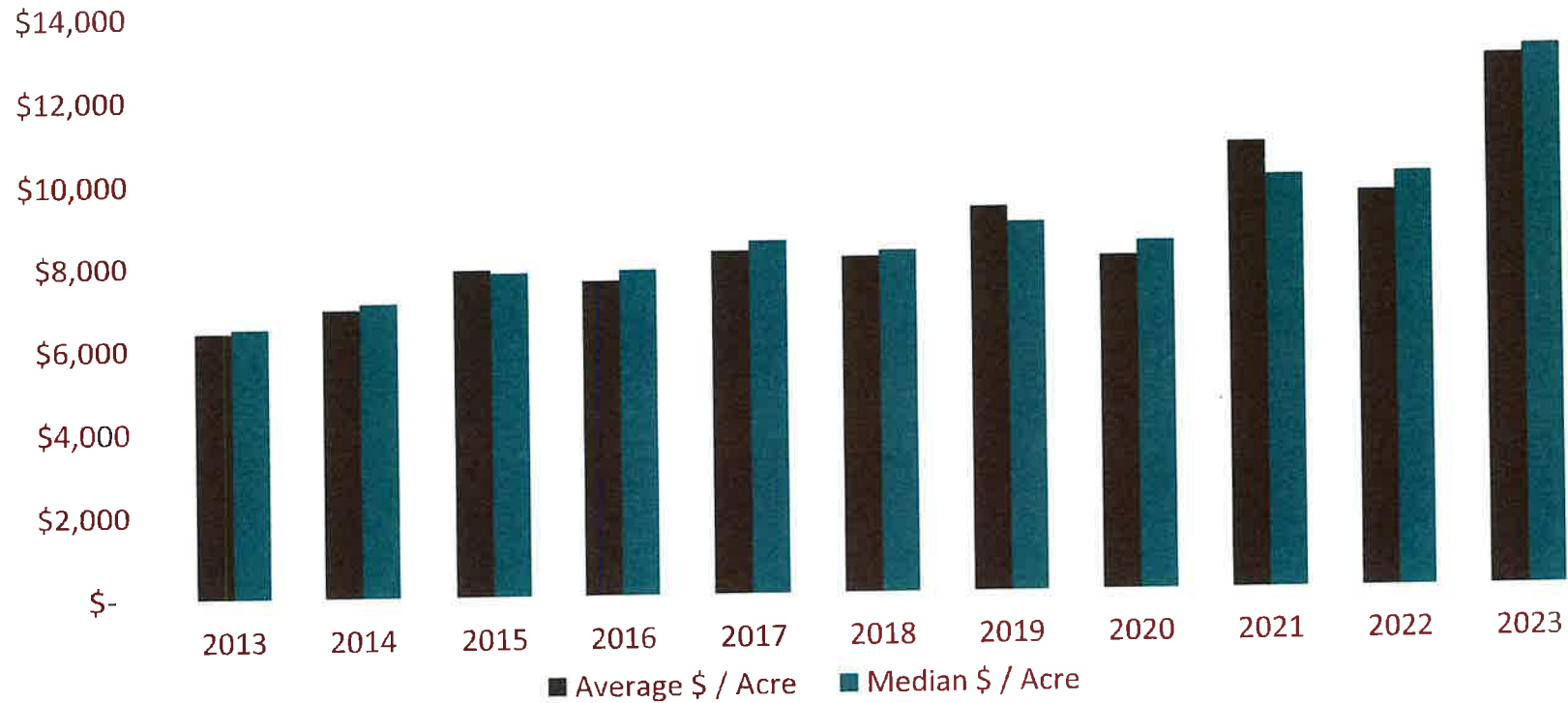
Irrigated Properties in Idaho - Over 40 Acres



Source: AgWest Farm Credit's proprietary database

Land Value Trends in Idaho – Magic Valley

Average and Median Land Values
Irrigated Properties - Over 40 Acres



Source: AgWest Farm Credit's proprietary database



2024 OUTLOOK – MARGIN CRUNCH

- 2023 USDA
 - All US NFI forecast down 17.4%
 - All US Production expenses up 3.5% on average
 - Bankruptcy rate at lowest level in 2023 since 2004
- Inflation and Interest Rates
- Exports continue to show strength
- Geopolitics are cause for concern
- How strong is the Consumer?