Economy

CHAPTER 7

Davison County Comprehensive Plan
DAVISON COUNTY PLANNING PARTNERSHIP | 2021-2040

Employment and Occupations

Employment statistics are like other areas in that there are industry specific categories or definitions. Four definitions are used in reviewing employment data. **Tables 7.1 and 7.2** detail the employment status within the county, state and comparative counties.

- **Civilian labor force**: All persons age 16 years old and older, classified as employed or unemployed. Persons not included are active duty members of the U.S. Military, students, homemakers, retired workers, seasonal workers not looking for work, inmates, disabled persons, and those doing unpaid family work of less than 15 hours a week.

- **Labor force**: The civilian labor force, consisting of all people age 16 and over classified as employed or unemployed along with members of the U.S. Armed Forces.

- **Employed**: All civilians 16 years old and over who were either at work or had a job but were not at work due to illness, bad weather, industrial dispute, vacation, or other personal reasons. Does not include people whose only activity consisted of work around the house or unpaid volunteer work for religious, charitable, and similar organizations.

- **Unemployed**: All civilians 16 years old and over are classified as unemployed if they did not have a job or had a job but not working and were actively looking for work during the last 4 weeks, and were available to accept a job. Also included as unemployed are civilians who did not work at all during the reference week, were waiting to be called back to a job from which they had been laid off, and were available for work except for temporary illness.

TABLE 7.1
Employment Status Comparison – 2010, 2020

Entity	Year	Persons Age 16 and Above	In Labor Force	Not In Labor Force	Civilian Labor Force	Employed	Unemployed	Percent	Armed Forces
Beadle	**2010**	13,338	8,703	4,635	8,692	8,417	275	3.2%	11
	2020	13,854	9,115	4,739	9,055	8,847	208	2.3%	60
Brookings	**2010**	23,109	17,251	5,858	17,207	16,369	838	4.9%	44
	2020	28,605	19,981	8,624	19,949	19,167	782	3.9%	32
Davison	**2010**	14,557	9,879	4,678	9,850	9,562	288	2.9%	29
	2020	15,687	10,704	4,983	10,680	10,453	227	2.1%	24
Hughes	**2010**	12,460	9,139	3,321	9,134	8,887	247	2.7%	5
	2020	13,740	9,274	4,466	9,274	9,107	167	1.8%	0
Yankton	**2010**	16,692	11,093	5,599	11,069	10,800	269	2.4%	24
	2020	18,546	12,035	6,511	12,003	11,733	270	2.2%	32
South Dakota	**2010**	577,129	394,945	182,184	391,594	374,373	17,221	4.4%	3,351
	2020	686,885	466,573	220,312	463,888	447,607	16,281	3.5%	2,685

Source: 2010, Census Table DP-03, 2020 ACS

Table 7.1 provides an overview of the labor force, along with an annual overview of the employment status of persons. In 2020 Davison County ranked second in unemployment status compared to four similar South Dakota counties having a higher unemployment rate. In addition, Davison County's unemployment rate was over one point lower than the State average. **Table 7.2** presents unemployment data over a six-year period in biannual increments. Davison County has been replaced by the Mitchell Micropolitan Area and the comparative counties have been replaced with the Sioux Falls Metropolitan Area. Reviewing the Mitchell Micropolitan Area and Sioux Falls MSA data provides an opportunity to compare the Mitchell area to a place experiencing tremendous population and economic growth. The ten-year period of 2010-2020 was a time when Davison County had a slightly lower unemployment rate than the Sioux Falls MSA, despite Sioux Falls' immense dynamics.

TABLE 7.2
Labor Statistics – 2010-2020

Area	Year	Labor Force	Employed	Unemployed	Unemployment Rate
Mitchell Micropolitan Area	2010	10,320	10,070	250	2.4%
	2012	10,740	10,435	305	2.8%
	2014	10,915	10,585	330	3.0%
	2016	12,590	12,156	434	3.4%
	2018	12,542	12,197	345	2.8%
	2020	12,405	12,138	267	2.2%
Sioux Falls Metropolitan Area	2010	128,626	123,578	4,710	2.8%
	2012	132,609	127,096	5,012	2.8%
	2014	136,988	131,590	5,398	2.9%
	2016	140,826	136,245	4,581	3.3%
	2018	145,928	141,543	4,385	3.0%
	2020	150,316	146,413	3,903	2.6%

Source: South Dakota Department of Labor, Labor Market Information Center

Previous information dealt with unemployment while the next section examines the employment base within Davison County. The industry classifications within the following tables are provided by the U.S. Census Bureau and are designed to group similar occupations together for the purpose of statistical analysis. The various classifications have been revised in recent years, which may result in shifts within categories when comparing earlier and more recent data sets. **Table 7.3** identifies the major employment industries within the County as well as their share of the work force. Drastic shifts from year to year may be a statistical issue and should be viewed with caution.

TABLE 7.3
Davison County Employment by Industry - 1980 - 2020

Industry	1980	1990	2000	2010	2020	% Change 1980-2020
Agriculture/Forest/Fish/Mining	662	471	562	635	442	-33.2%
Construction	568	466	723	719	794	39.8%
Manufacturing	770	1,235	1,434	1,235	1,325	72.1%
Wholesale Trade	450	304	321	280	328	-27.1%
Retail Trade	2,000	1,922	1,351	1,608	1,158	-42.1%
Trans., Warehouse, & Utility	385	475	291	250	334	-13.2%
Information	N/A	N/A	249	133	293	17.7%*
Finance/Insurance/Real Estate	448	353	483	378	631	40.8%
Professional Services	311	512	480	575	745	139.5%
Education/Health/Social Services	1,529	1,786	2,131	2,471	2,354	54.0%
Arts, Entertain./Rec./ Accom./Food	N/A	564	741	1,376	1,008	78.7%**
Other	620	N/A	553	443	563	-9.2%
Public Administration	379	279	243	288	478	26.1%
Total	8,124	8,367	9,262	10,391	10,453	28.7%

Source: 2000 Census Table DP-3; 1990 Census CP-2-43 T146; 1980 Census PC80-1-C43 T178
* Percent change since 2000
** Percent change since 1990

The forty-year period between 1980 and 2020 was a time when the agriculture, wholesale trade, and retail trade sectors took a serious downturn in employment numbers within the county. The same period saw significant increases in the construction, manufacturing, financial services, professional services, and educational/health sectors. The data in **Table 7.4** focuses on counties similar to Davison. This type of information compares the economic diversity of one county to others including those who are seeing growth and those who have become stagnant or are receding. Education and health care sectors have the largest share of employment in all but Hughes County. There, public administration accounts for nearly one fourth of employment due to Pierre being the center of state government. Table 59 also shows that manufacturing comprises a decent share of employment in four of the five comparable counties.

TABLE 7.4
Employment by Industry Comparison - 2020

Industrial Classification	Beadle		Brookings		Hughes		Yankton	
	#	%	#	%	#	%	#	%
Agriculture/Forest/Fish/Mining	794	9.0%	1,373	7.2%	554	6.1%	558	4.8%
Construction	519	5.9%	987	5.1%	616	6.8%	451	3.8%
Manufacturing	1,697	19.2%	3,803	19.8%	243	2.7%	2,382	20.3%
Wholesale Trade	340	3.8%	337	1.8%	132	1.4%	263	2.2%
Retail Trade	686	7.8%	1,948	10.2%	779	8.6%	1,571	13.4%
Trans., Warehouse, & Utility	583	6.6%	573	3.0%	350	3.8%	390	3.3%
Information	121	1.4%	178	0.9%	96	1.1%	69	0.6%
Finance/Insurance/Real Estate	508	5.7%	764	4.0%	532	5.8%	1,073	9.1%
Professional Services	446	5.0%	1,274	6.6%	511	5.6%	402	3.4%
Education/Health/Social Services	1,992	22.5%	5,015	26.2%	1,689	18.5%	2,928	25.0%
Arts, Entertain./Rec./Accom./Food	384	4.3%	1,893	9.9%	896	9.8%	725	6.2%
Other	334	3.8%	478	2.5%	367	4.0%	470	4.0%
Public Administration	443	5.0%	544	2.8%	2,342	25.7%	451	3.8%
Total	8,847	8,847	19,167	19,167	9,107	9,107	11,733	11,733

Source: 2020 Census Table DP-3

County Gross Domestic Product

Broadly speaking, there are two main sources of economic growth: Growth in the size of the workforce and growth in the productivity (output per hour worked) of that workforce. Either can increase the overall size of the economy but only strong productivity growth can increase per capita GDP and income. Productivity growth allows people to achieve a higher material standard of living without having to work more hours or to enjoy the same material standard of living while spending fewer hours in the paid labor force.[1]

Gross Domestic Product (GDP) is the market value of goods and services produced by labor and property in the United States. GDP replaced gross national product (GNP) as the primary measure of U.S. production in 1991. GDP can be measured at the county level. **Table 7.5** illustrates county GDP for 2014, 2016, 2018, and 2020 by total industry and selected industries (agriculture, manufacturing and government). The information in the table can provide insight into what industries are contributing to a county's economic growth.

For example, manufacturing contributes significantly to the economies in Brookings and Yankton counties. In Hughes County, however, government and government enterprises provide the base for productivity as it is the home of state government. This is also apparent in Brookings County where South Dakota State University employs a sizeable share of the county's labor force. These industries are most likely the sources for earnings income for their respective counties.

An interesting figure to examine is the percent change in GDP for various industries and how that may contribute to a county's economic growth (or decline). Agriculture has recorded tremendous growth between 2014 and 2020, with GDP growing by over 189% in Davison County. There can be several reasons for the increase; increases in labor force, productivity and income. While the actual GDP figure is still low , agricultural GDP in Yankton County grew by over 1,300%, which can be attributed to investments in value-added industries and generally higher commodity prices.

[1] Economic Growth: Causes, Benefits, and Current Limits, https://www.cbpp.org

Table 7.5; County GDP by Selected Industries; 2014-2020
In Thousands of Dollars ($,000)

	2014	2016	2018	2020	% Change 2014-2020
Beadle County					
All industry total	$818,264	$923,892	$925,175	$931,434	13.8%
Agriculture, forestry, fishing and hunting	$115,060	$113,771	$122,575	$131,220	14.0%
Manufacturing	$152,261	$189,303	$159,884	$135,116	-11.3%
Government and government enterprises	$76,798	$86,501	$100,171	$106,518	38.7%
Brookings County					
All industry total	$1,959,835	$2,221,106	$2,163,732	$2,184,223	11.4%
Agriculture, forestry, fishing and hunting	$169,308	$154,947	$134,188	$134,897	-20.3%
Manufacturing	$635,882	$770,838	$663,051	$678,639	6.7%
Government and government enterprises	$346,410	$363,644	$387,488	$387,910	12.0%
Davison County					
All industry total	$1,045,492	$1,161,741	$1,238,256	$1,190,170	13.8%
Agriculture, forestry, fishing and hunting	$20,304	$60,725	$77,285	$58,834	189.8%
Manufacturing	$193,712	$184,016	$201,647	$176,931	-8.7%
Government and government enterprises	$82,310	$89,323	$98,293	$102,127	24.1%
Hughes County					
All industry total	$1,093,276	$1,097,992	$1,217,291	$1,218,404	11.4%
Agriculture, forestry, fishing and hunting	(D)	$12,417	$22,128	$4,444	-64.2%
Manufacturing	$8,688	$9,915	$5,655	$7,995	-8.0%
Government and government enterprises	$317,015	$330,427	$349,410	$366,913	15.7%
Yankton County					
All industry total	$998,852	$1,126,399	$1,253,441	$1,334,998	33.7%
Agriculture, forestry, fishing and hunting	$3,821	$44,263	$64,072	$56,621	1,381.8%
Manufacturing	$256,306	$281,728	$314,380	$304,404	18.8%
Government and government enterprises	$125,019	$130,584	$143,957	$149,569	19.6%

Source: Bureau of Economic Analysis (BEA)

Table 7.6 is the first table reflecting one change in industry classifications regarding occupations. The table focuses on Davison County occupations for the previous forty years. While there has been a significant downturn in those employed in farming occupations, the level of employed persons in management and professional service occupations has doubled since 1980. Production and transportation occupations have grown by nearly 60% in the past forty years. Several employed in management and production occupations are employed in the same industrial sector, such as manufacturing.

TABLE 7.6
Davison County Occupations - 1980 - 2020

	1980	1990	2000	2010	2019	2020	% Change 1980-2020
Management & Professional Services	1,657	1,847	2,862	3,063	3,439	3,354	102.4%
Service	1,408	1,455	1,609	2,174	2,064	1,671	18.7%
Sales and Office	2,281	2,555	2,415	2,562	2,063	2,323	1.8%
Farming, fishing, and forestry	624	420	140	182	265	316	-49.4%
Construction & Maintenance	1,054	820	943	1,127	1,071	1,061	0.7%
Production & Transportation	1,100	1,270	1,593	1,465	1,776	1,728	57.1%
Total Employed: Age 16 and Above	8,124	8,367	9,879	10,391	10,678	10,453	28.7%

Source: 2000 Census Table DP-3; 1990 Census CP-2-43 T145; 1980 Census PC80-1-C43 T177

The data in **Table 7.7** shows the balance in occupations throughout four comparable counties in South Dakota. The occupational share of the workforce for the four comparable counties is similar with two major exceptions. Hughes County has a significantly higher share of its workforce employed in management and professional occupations (49.9%) than the other counties, due to the fact that several state agencies are housed there. Hughes County has a dramatically lower share of its workforce employed in production and transportation occupations (6.7%) compared to the other counties, which average 20% employment in the production and transportation occupations.

TABLE 7.7
Employment by Occupation Comparison - 2020

	Beadle		Brookings		Hughes		Yankton	
	#	%	#	%	#	%	#	%
Management & Professional Services	2,891	32.7%	7,942	41.4%	4,545	49.9%	4,173	35.6%
Service	1,012	11.4%	3,223	16.8%	1,433	15.7%	1,820	15.5%
Sales and Office	1,765	20.0%	3,216	16.8%	1,725	18.9%	2,480	21.1%
Construction & Maintenance	1,108	12.5%	1,883	9.8%	795	8.7%	950	8.1%
Production & Transportation	2,071	23.4%	2,903	15.1%	609	6.7%	2,310	19.7%
Total Employed: Age 16 and Above	8,847	8,847	19,167	19,167	9,107	9,107	11,733	11,733

Source: 2020 Census Table DP-3

Table 7.8 includes a list of the twelve largest primary employers in Davison County as well as the number of persons employed at each firm. Primary employers are those who provide full time positions which afford opportunities to attract employees. These organizations employ over 3,700 people, over 35% of the persons employed within the county. The top two employers, who represent the health and manufacturing industries, employ nearly 1,500 persons.

TABLE 7.8
Major Employers in Davison County - 2020

Rank	Employer and Place	Product / Service	Employees
1	**Avera Queen of Peace Health Services**	Healthcare	715
2	**Trail King Industries**	Manufacturing of Trailers	775
3	**Mitchell School District**	Education	450
4	**Wal-Mart**	Retail	240
5	**Graphic Packaging**	Color Printed Packaging	240
6	**AKG North America**	Heat Exchangers	220
7	**City of Mitchell**	Government	210
8	**Twin City Fan**	Commercial/Industrial Fans	220
9	**Firesteel Healthcare**	Healthcare	180
10	**Innovative Systems**	Communications Software	170
11	**Lifequest**	Special Needs Clients	157
12	**Vantage Point Solutions**	Communications Engineering	155

In addition to the major employers, Davison County is home to numerous other firms, businesses, or organizations that support a significant employee base. The City of Mitchell employs the equivalent of 210 full time employees (FTE's) when fully staffed. In applying similar employment parameters to Mitchell School District and Wal-Mart, these firms employ 450 and 240 FTE's respectively.

Employment Projections

Table 7.9 provides employment forecasts for Davison County by utilizing "shift-share" methodology. Constant shift projections consider the shift that have been occurring in the local economy over the past few years as compared to the state economy. The constant shift factor is then added to the most recent employment figures. Projection data for future periods was calculated by a constant share theory. This theory assumes that each economic sector will change at the same rate as the sector is projected to change at the State level. The change will result in the community maintaining a constant share of the State's economic activity in each sector.

TABLE 7.9
Davison County Employment Trends and Projections - 2010 - 2040

Sector	2010	2020	2030	2040	2020-2040 Change
Agriculture/Fish/For	607	463	353	269	(194)
Mining/Extraction	28	0	0	0	0
Construction	719	1,171	1,907	3,106	1,935
Manufacturing	1,235	1,517	1,863	2,289	772
Transportation/Communication	221	299	405	547	248
Utilities	29	63	137	297	234
Information	133	159	190	227	68
Wholesale Trade	280	209	156	116	(93)
Retail Trade	1,608	1,309	1,066	867	(442)
Finance & Insurance	340	302	268	238	(64)
Real Estate & Leasing	38	61	98	157	96
Professional, Scientific Services	410	417	424	431	14
Management of Companies	0	0	0	0	0
Admin Support/Waste Management	165	91	50	28	(63)
Education	760	795	832	870	75
Health Care/Social Assistance	1,711	1,512	1,336	1,181	(331)
Arts Entertainment	227	211	196	182	(29)
Accommodation/Food Services	1,149	867	654	494	(373)
Other Services	443	533	641	772	239
Government	288	410	584	831	421
Total	10,391	10,389	11,160	12,904	2,515

Note: Projections are based on Shift[1] and Share[2] analysis comparing Davison County and the State of South Dakota.
Source: 2000 Census DP-3 P.3; 1990 Census CP-2-43 T146

If employment in a particular sector is expected to grow, the amount of land needed to support the additional jobs can be calculated using planning standards for different types of industries. In **Table 7.10**, the acres needed to accommodate the projected jobs by 2040 are listed. Only industries that were projected to increase in employment were analyzed. Therefore, industries such as Mining, Wholesale Trade and Retail were not included in future growth analysis. It should be noted, however, that even though employment may not increase in industries such trade and retail, growth in those industries should be accommodated by existing land and properties in Mitchell, Mount Vernon, and Ethan.

A substantial amount of land will be needed in the next twenty years to accommodate the growth in "other services." Establishments in this sector are primarily engaged in activities such as equipment and machinery repairing, promoting or administering religious activities, advocacy, dry-cleaning and laundry services, personal care services, pet care services, and photofinishing services. A total of 125.54 acres will be needed for future employment in other services. A 20% market adjustment is factored to account for additional growth and a 25% markup is added to account for roads, easements and rights of way.

Other sectors that will need several acres of land include; Information (81.85 acres), Government (60.81 acres) Finance and Insurance (57.72 acres), Arts & Entertainment (47.86 acres), Professional Services (42.46 acres), and Utilities (41.76 acres).

TABLE 7.10
Total New Acres Needed, 2020 - 2040

Industry Sector	Calculated Acres Needed	Market Adjustment (20%)	Roads, ROW (25%)	Total New Acres Needed
Agriculture/Fish/For	-	-	-	-
Mining/Extraction	-	-	-	-
Construction	21.79	4.36	5.45	31.59
Manufacturing	20.02	4.00	5.00	29.02
Transportation/Communication	22.14	4.43	5.54	32.11
Utilities	28.80	5.76	7.20	41.76
Information	56.45	11.29	14.11	81.85
Wholesale Trade	15.26	3.05	3.82	22.13
Retail Trade	-	-	-	-
Finance & Insurance	39.80	7.96	9.95	57.72
Real Estate & Leasing	24.94	4.99	6.23	36.16
Professional, Scientific Services	29.29	5.86	7.32	42.46
Management of Companies	-	-	-	-
Admin Support/Waste Management	-	-	-	-
Education	-	-	-	-
Health Care/Social Assistance	-	-	-	-
Arts Entertainment	33.00	6.60	8.25	47.86
Accommodation/Food Services	-	-	-	-
Other Services	86.58	17.32	21.65	125.54
Government	41.94	8.39	10.48	60.81
Totals	420.00	84.00	105.00	609.01

The projected future employment and employment land use demand in Davison County can be compared to future growth areas to determine whether future employment growth can be accommodated. The number of jobs projected by 2040 through shift-share analysis for Davison County is 12,904, which represents an increase of 2,515 jobs in the next twenty years.

In total, the demand in land for employment may eclipse 600 acres of land over the planning period. **Table 7.11** lays out the land and employment capacities for the future growth areas in Davison County. The growth areas identified by the planning team are areas that are suitable for future development. The timing of various growth phases is determined by each area's proximity to existing development, local infrastructure and community services.

Each area was measured with consideration given to any limitations (wetlands, slope, etc.) and land that has already been developed. Land for road rights of way and other public easements are deducted from the gross amount which leaves the net acres available for land uses such as construction, manufacturing and offices.

2021-2025

Subareas B and C in this period are located in the south and west areas of Mitchell. These areas contain nearly over 270 acres of land that could accommodate development of various types of employment (**Subarea A** is an area primarily targeted for residential development).

The growth area on the east side of Mount Vernon contains over 50 acres of land suitable for employment which, when added to the areas near Mitchell, over 320 acres is available in the immediate term. Using standards for calculating the number of employees that each area could accommodate, this growth phase could accommodate nearly 4,100 jobs.

2026-2030

Table 7.11 shows that growth areas **A and C** in be able to accommodate nearly 3,200 employees and nearly 400 net acres of employment by 2030.

Subarea A is on the western edge of Mitchell and includes the CHS Farmer's Alliance Elevator. This

area could see a mix of industrial and office uses. Future residential land use is factored into this area.

Subarea C is located at the intersection of Interstate 90, Betts Road (403rd Ave), and Old Highway 16 approximately 5 miles west of Mitchell. Central Electric has its headquarters in this area, which has enormous potential for future economic growth.

2031-2035

There are no subareas in the Mitchell area in this phase that are targeted for economic development. This is primarily due to these areas being more suitable for residential land uses or there are enough environmental limitations to make the development of employment areas difficult.

There is a large tract of land which straddles Interstate 90 near Mount Vernon that is suitable for economic development and could accommodate over 1,000 jobs. This area has a similar advantage to the Betts Road Area as the land is well served by transportation infrastructure (railroad and highways). The only limitation in this area is the lack of utilities.

2036-2040

Subarea A in this phase is located in the southeast portion of Mitchell and includes the Schlaffman Farm (the location of the annual DakotaFest Farm Show). 100 acres of the 689-acre area is suitable for economic development, which would yield approximately 1,200 jobs.

2040 and Beyond

There are two subareas identified as potential employment areas for long term development. An area on the east side of Mitchell has several environmental concerns which limits the area's employment capacity.

A large area west of Mitchell, bounded by Interstate 90, 406th Ave, 407th Ave and 251st St has much potential for long term urban development. Of the 2,200 acres in the area, 700 gross acres are suitable for industrial uses while the remainder of the land is geared toward rural residential development.

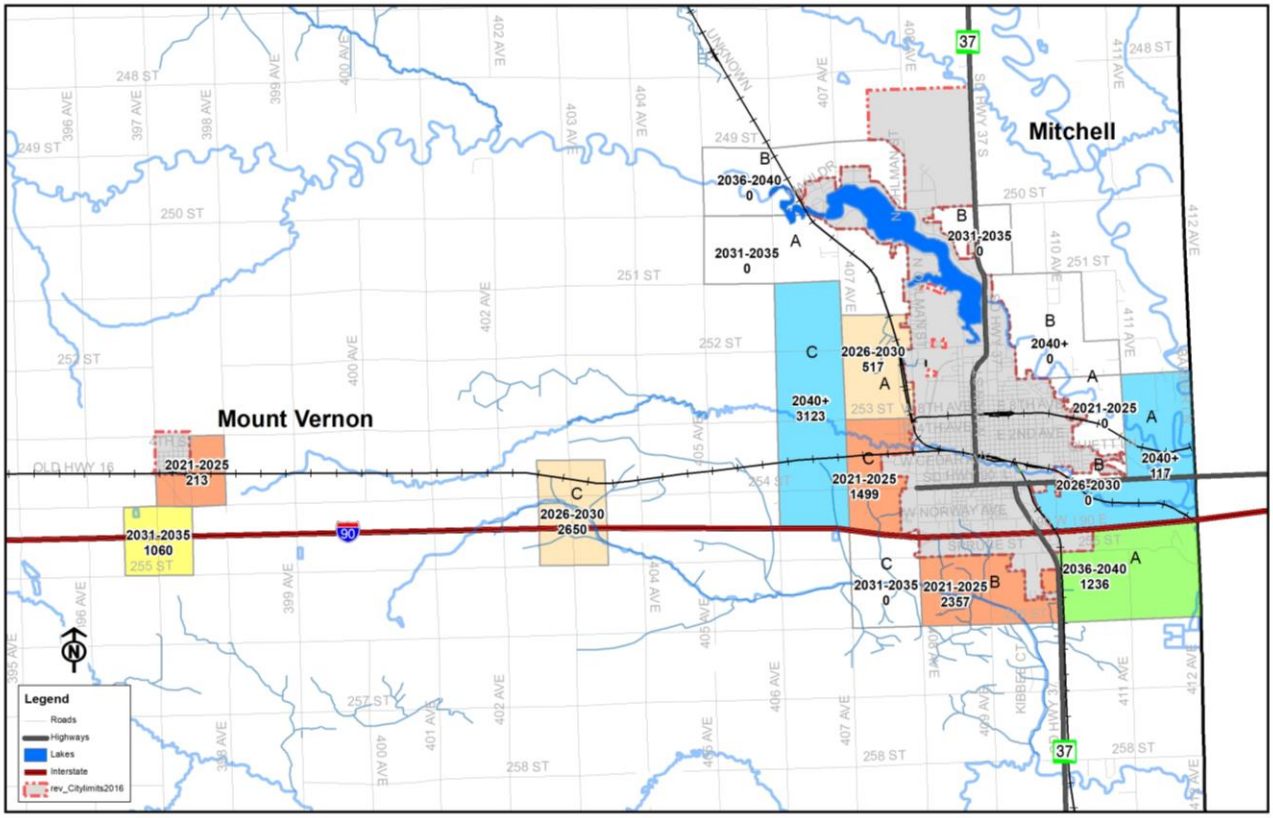
Table 7.11
Growth Area Employment Capacities

Growth Phases	2021-2025			2026-2030			2031-2035			2036-2040		Mount Vernon	Mount Vernon	
Employment Areas	A	B	C	A	B	C	A	B	C	A	B	2021-2025	2031-2035	Totals
Gross Site Area in Acres		443.0	485.0	268.0		955.0				689.0		165.0	624.0	3,629.0
Land Use Concerns		41.0	54.0	15.0		160.0				0.0		0.0	40.0	310.0
Developed Acres		100.0	178.0	108.0		225.0				379.0		64.0	140.0	1,194.0
ROW, Easements		132.9	145.5	170.4		238.7				206.7		49.5	187.2	1,040.9
Net Acres		169.1	107.5	64.6		331.3				103.3		51.5	256.8	1,084.1
Employment Capacity		2,357	1,499	517		2,650				1,236		213	1,060	9,532

Figure 7.1 illustrates the future growth areas that are suitable for future development of industry and commerce. Each shaded area is labeled by the planned timeframe of development and the number of jobs that each area can reasonably accommodate. The primary advantage for most of the areas planned for economic development is their access to transportation services and facilities. The BNSF and MRC railroads are directly adjacent to or bisect the employment areas. Interstate 90, South Dakota Highway 37 and Old Highway 16 directly serve these areas.

In summary, there appears to be enough land designated for economic development to accommodate future industrial & commercial growth and the projected jobs for Davison County.

Figure 7.1 Future Employment Areas, 2020-2040



Commuting

Commuting data includes where people work (including from work from home), when their trip starts, how they get there, and how long it takes. Commuting data helps policy makers and planners make decisions related to transportation infrastructure. Some of the topics included in the American Community Survey data include travel time, means of transportation, time of departure for work, vehicles available, and expenses associated with the commute. The ACS also asks workers about their place of work, the geographic location of their job.

Table 7.12 illustrates the change in commuting patterns in Davison County between 2000 and 2020. Davison County residents who are in the labor force primarily drive alone to work. The percentage of those who drive their own vehicle rose from 78% in 2000 to 84.8% in 2020. The percentage of people who walked to their job decreased from 4.4% in 2000 to 2.8% in 2020.

TABLE 7.12
Davison County Commuting Data - 2000 - 2020

Mode of Transportation	2000		2010		2020	
	Number	Percent	Number	Percent	Number	Percent
Total Workers: Age 16 and Above	9,494		10,209		10,276	
Car, Truck, or Van - Drove Alone	7,408	78.0%	7,777	76.2%	8,715	84.8%
Car, Truck, or Van - Carpooled	988	10.4%	783	7.7%	484	4.7%
Public Transportation and Taxi	21	0.2%	73	0.7%	142	1.4%
Walked	418	4.4%	632	6.2%	289	2.8%
Other	68	0.7%	462	4.5%	198	1.9%
Worked at Home	591	6.2%	482	4.7%	448	4.4%
Mean Travel Time to Work (Min.)	14	(X)	13.2	(X)	12.2	(X)

Source: 2000, 2010, 2020 Census Summary File 3

Analysis of commuting data in South Dakota would not have been heavily considered fifty years ago but **Table 7.13** shows that 11.9% of the workers in Davison County travel 15-20 minutes to work in 2020. The ability of people to go from place to place more efficiently has greatly increased areas for potential labor force. Even though the general public is perceived as being more mobile, the mean travel time to work in Davison County is 12.2 minutes. This is less than half of the national mean travel time of 26.9 minutes.

TABLE 7.13
Davison County Worker Commute Times, 2020

Commute Time	Percent
Less than 10 minutes	48.6%
10 to 14 minutes	25.1%
15 to 19 minutes	11.9%
20 to 24 minutes	5.7%
25 to 29 minutes	1.9%
30 to 34 minutes	1.4%
35 to 44 minutes	0.4%
45 to 59 minutes	0.7%
60 or more minutes	4.3%
Mean travel time to work (minutes)	12.2

Source: ACS, 2020

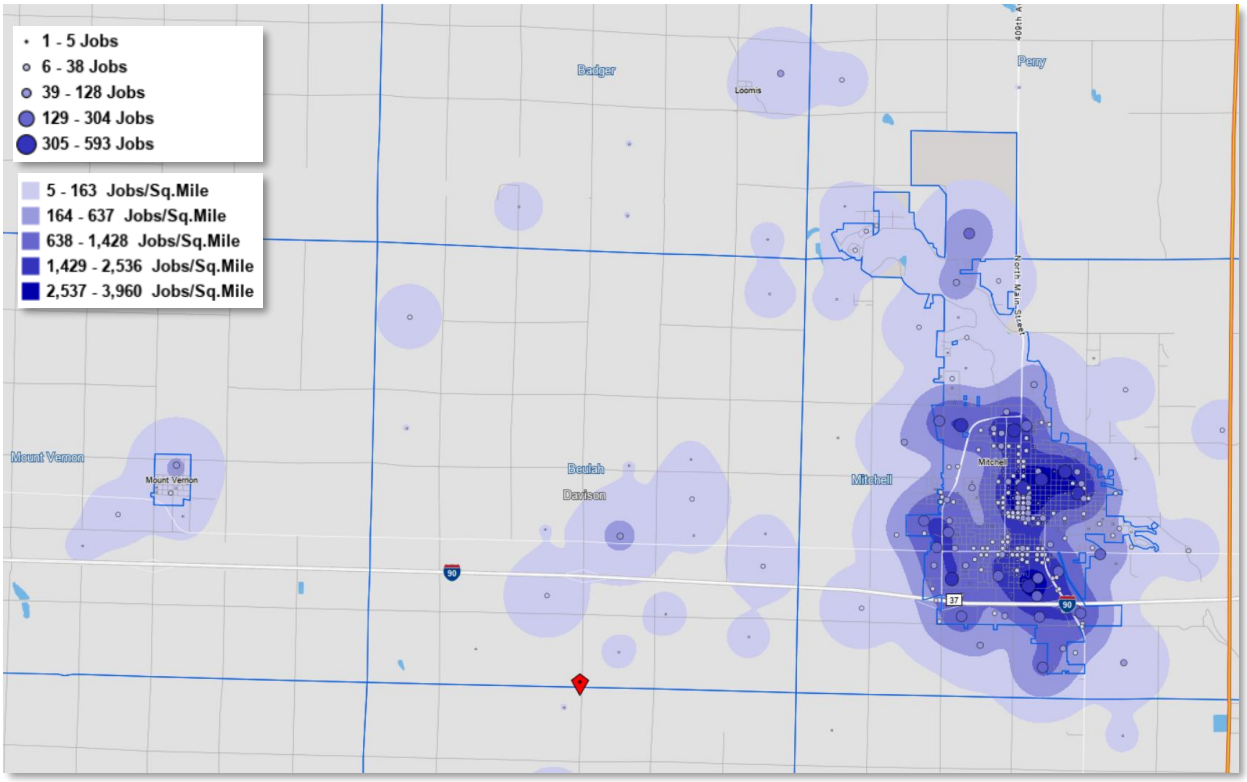
When information about workers' residence location and workplace location are coupled, a *commuting flow* is generated. The origin-destination flow format describes the interconnectedness between communities, including the interchange of people, goods, and services. Commuting flows also help shape the contours of metropolitan and micropolitan statistical areas. Commuting flow estimates are not included among standard annual ACS products, but they are created for other research and product development purposes. For example, flows are created to support the delineation of the state's metropolitan and micropolitan statistical areas.

OnTheMap is an online tool that provides an interface for creating and viewing workforce related maps, demographic profiles, and reports. Additionally, OnTheMap is capable of addressing issues in workforce, transportation, and economic development such as:

- Where workers live who are employed in a specific geographic area
- How specific employment areas compare in terms of worker origin patterns, worker ages, monthly earnings, and industry-sector employment
- The number of workers who live and work within an area, versus those who commute to a nearby city
- The inflow and outflow of workers in a specific area
- The characteristics of workers who commute in, out, and within Davison County and whether the County is primarily a labor force supplier or a magnet for employment.

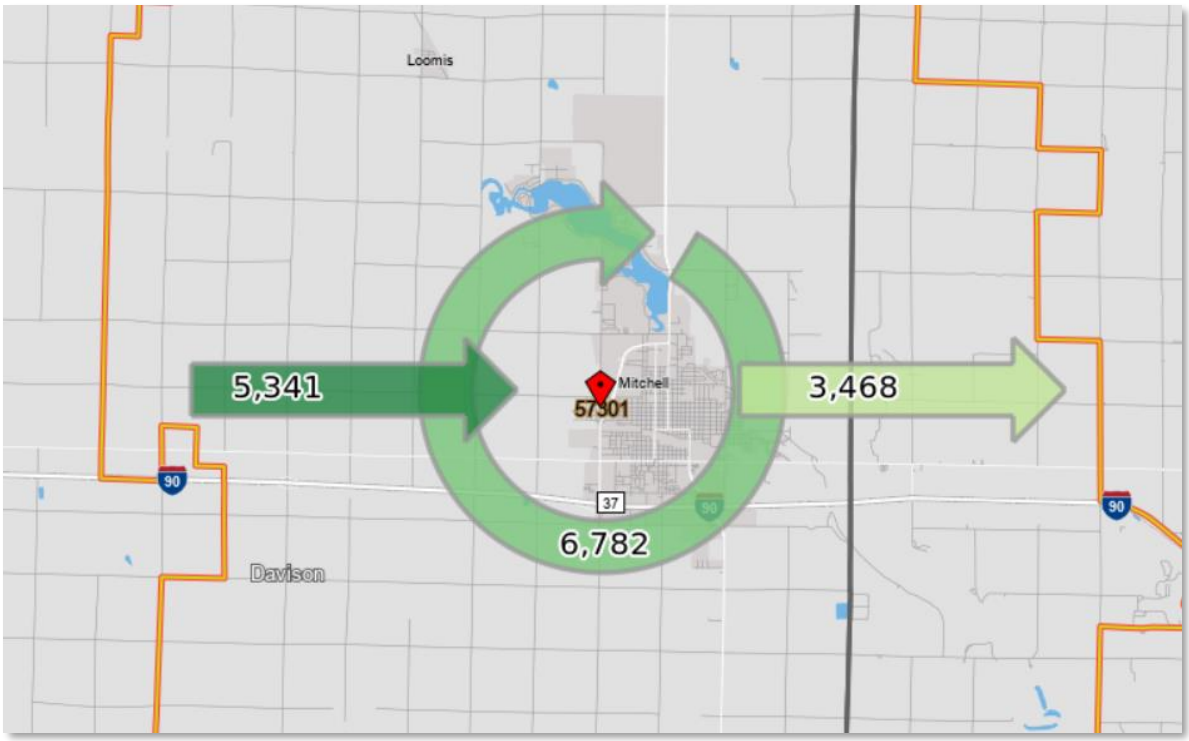
OnTheMap is useful in understanding where jobs are concentrated in Davison County as well as where workers are coming from for those jobs. This data can help visualize spatial commuting patterns. In **Figure 7.2**, jobs are concentrated in the core/downtown area in Mitchell, southeast Mitchell and locations along the South Dakota Highway 37 Bypass in Mitchell. There are also concentrations of jobs near the Betts Road interchange and near the Mitchell Airport. The common factor in the locations of job clusters is their proximity to transportation infrastructure (interstate, highway, rail, airport).

Figure 7.2, Davison County Job Concentrations



For the purposes of this analysis, worker inflow – outflow was analyzed for the 57301-zip code. This would encompass all of Mitchell plus surrounding sections and townships.

Figure 7.3, 57301 Zip Code Worker Flows



In **Figure 7.3** above, worker flow dynamics are symbolized by the green arrows. Workers employed **in** the 57301 area but living outside the area are represented by the dark green arrow entering the city. Workers employed **outside** the area but living in the 57301-zip code are represented by the light green arrow leaving the city. Workers that live **and** work in the 57301 zip code are represented by the circular arrow surrounding the selection marker. The arrows are labeled with the count of workers involved in each type of flow. The Mitchell 57301 zip code area can be considered an employment center based on the fact that more workers come from outside the area to their place of employment than those workers who leave the area to go to work.

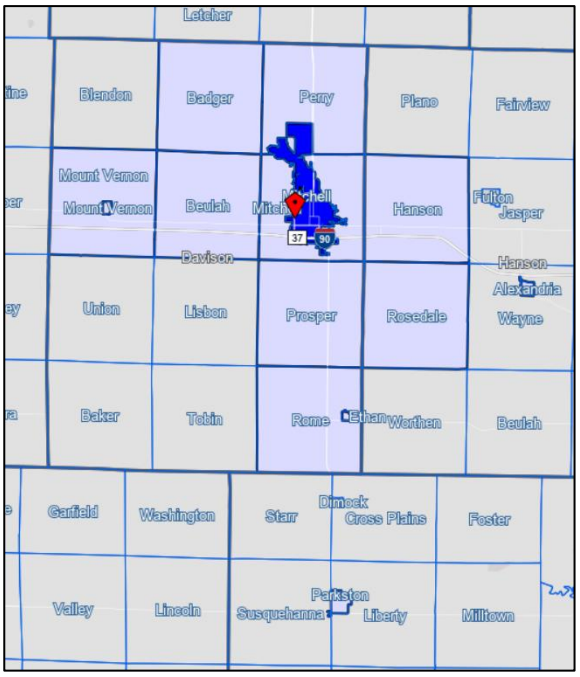
Jobs Counts by County Subdivisions
Where Workers Live - All Jobs

Table 7.14
Home Destinations for Employees in 57301 Zip Code

	Count	Share
Mitchell city (Davison, SD)	5,841	48.2%
Mitchell UT (Davison, SD)	367	3.0%
Sioux Falls city (Minnehaha, SD)	351	2.9%
Huron city (Beadle, SD)	203	1.7%
Prosper township (Davison, SD)	201	1.7%
Aberdeen city (Brown, SD)	189	1.6%
Parkston city (Hutchinson, SD)	157	1.3%
Mount Vernon city (Davison, SD)	133	1.1%
Watertown city (Codington, SD)	124	1.0%
Perry township (Davison, SD)	107	0.9%

Table 7.14 above lists the top 10 county subdivisions where workers employed in the 57301 zip code live. **Figure 7.4** at the right shows the locations of the county subdivisions (with the exception of Sioux Falls, Huron, Watertown, and Aberdeen) where workers in the 57301 zip code live. The map indicates a pattern of workers that live along or near the SD Highway 37 and US Interstate 90 corridors near Mitchell.

Figure 7.4
Top Home Destinations by County Subdivision



Income

There are several factors to consider in obtaining an accurate understanding of local population characteristics. One of these items is wealth or income. Wealth is affected by numerous variables, but for the majority of the population it is directly tied to income, which is influenced by employment. Income in a community can be measured primarily in three ways; **per capita, household and family income**.

Per capita income is the mean income computed for every man, woman, and child in a particular group. It is derived by dividing the total income of a particular group by the total population.

Household income is the sum of the income of all people 15 years and older living in the household. A household includes related family members and all the unrelated people, if any, such as lodgers, foster children, wards, or employees who share the housing unit. A person living alone in a housing unit, or a group of unrelated people sharing a housing unit, is also counted as a household.

Family income is the sum of the income of all family members 15 years and older living in the household. Families are groups of two or more people (one of whom is the householder) related by birth, marriage, or adoption and residing together; all such people (including related subfamily members) are considered as members of one family.

The three measures of income are presented in **Tables 7.15-7.17**. All three income measures include income data from 2000, 2010 and 2020 for Davison County and the comparable areas. The 2000-2020 percentage change in income for each area is calculated as well as the percentage difference between the lowest and highest values for each year.

Table 7.15; Per Capita Income; 2000-2020

	2000	2010	2020	% Change
Beadle	$17,832	$23,409	$27,898	56.4%
Brookings	$17,586	$20,995	$28,867	64.1%
Davison	$17,879	$22,794	$30,006	67.8%
Hughes	$20,689	$28,236	$34,271	65.6%
Yankton	$17,312	$24,776	$32,804	89.5%
South Dakota	$17,562	$24,110	$31,415	78.9%

Table 7.16; Household Income; 2000-2020

	2000	2010	2020	% Change
Beadle	$30,510	$40,716	$53,461	75.2%
Brookings	$35,438	$45,134	$57,471	62.2%
Davison	**$33,476**	**$41,867**	$48,267	44.2%
Hughes	$42,970	$53,501	$69,575	61.9%
Yankton	$35,374	$47,124	$61,878	74.9%
South Dakota	$35,282	$46,369	$59,896	69.8%

Table 7.17; Family Income; 2000-2020

	2000	2010	2020	% Change
Beadle	**$40,596**	**$56,288**	**$64,192**	**58.1%**
Brookings	$48,052	$63,338	$85,362	77.6%
Davison	**$44,357**	**$54,677**	**$75,404**	**70.0%**
Hughes	$51,235	$70,881	$87,087	70.0%
Yankton	**$43,600**	**$62,070**	**$77,707**	**78.2%**
South Dakota	$43,237	$58,958	$77,042	78.2%

Table 7.15 compares Davison County's per capita income data to Beadle, Brookings, Davison, Hughes and Yankton counties as well as South Dakota. Davison County's per capita income increased by

almost 68% between 2000 and 2020 to $30,006. Brookings and Hughes counties' per capita incomes grew similarly over the period. These rates were lower than the rates when compared to Yankton County and the State of South Dakota where per capita income grew by an average of 83% over the period.

Table 7.16 displays household incomes for the counties and the state between 2000 and 2020. The median household income for Davison County grew by only 44% to $48,627, which is a significantly lower growth rate than the other four counties and the state, which averaged 69% growth.

Table 7.17 provides a comparison of the median family incomes within Davison County and the comparable counties and the state for the period of 2000-2020. The median family incomes for the state, Brookings and Yankton counties grew at a higher rate than Davison, Beadle, and Hughes Counties. Davison County's median family income of $75,404 in 2020 was slightly lower than the average of the comparable counties and the state.

Table 7.18 illustrates the sources of income for households in Davison County and the comparable counties as well as the State. The source of household income can inform a community's per capita, household and family incomes. Theory would suggest that an area with a higher percentage of households with earnings income would have a higher median income.

Likewise, a county with a greater share of households with public assistance earnings would have a lower median income. Brookings County has the highest share of households with earnings income (84.3%), which is an important factor in its Gross Domestic Product (GDP). This means that more households are earning salaries and wages. The share of sources of household income in Davison County is statistically comparable to the state. Most households earn wages and salaries in the County.

Table 7.18; Households and Income Sources, 2020

Type of Income	South Dakota	%	Beadle	%	Brookings	%	Davison	%	Hughes	%	Yankton	%
With earnings	279,252	80.3%	5,898	76.8%	11,264	84.3%	6,707	77.5%	6,155	82.3%	7,631	79.8%
Mean	$75,994	(X)	$67,555	(X)	$70,598	(X)	$67,757	(X)	$75,299	(X)	$74,321	(X)
With Social Security	105,700	30.4%	2,346	30.5%	3,075	23.0%	2,769	32.0%	2,296	30.7%	2,956	30.9%
Mean	$19,016	(X)	$18,737	(X)	$19,163	(X)	$17,711	(X)	$19,346	(X)	$19,673	(X)
With retirement income	64,397	18.5%	1,268	16.5%	2,009	15.0%	1,263	14.6%	1,717	23.0%	1,918	20.1%
Mean	$24,020	(X)	$20,221	(X)	$25,011	(X)	$21,885	(X)	$25,880	(X)	$22,680	(X)
With Supplemental Income	13,416	3.9%	192	2.5%	171	1.3%	339	3.9%	272	3.6%	464	4.9%
Mean	$9,571	(X)	$8,613	(X)	$13,483	(X)	$11,201	(X)	$8,307	(X)	$9,985	(X)
With public assistance	7,589	2.2%	189	2.5%	106	0.8%	174	2.0%	141	1.9%	162	1.7%
Mean	$2,741	(X)	$2,673	(X)	$3,106	(X)	$2,214	(X)	$1,606	(X)	$2,779	(X)
With Food Stamp benefits	30,391	8.7%	779	10.1%	594	4.4%	796	9.2%	576	7.7%	615	6.4%

Source: ACS 2020

Household incomes in Davison County compared to the other counties over time is illustrated in **Figures 7.5, 7.6 and 7.7**. Graphically, increases in household incomes over time resemble population pyramids. A "bulge" is noticed in the base year's chart and the bulge is expected to move toward higher numbers in the next chart. In **Figure 7.5**, the percent of households earning between $35,000 and $75,000 seems to swell beyond the other income categories in 2000. This swell shifts to the right at higher income levels **in Figure 7.6** in 2010. The shift appears to conclude in 2020 **(Figure 7.7)** with a swelling of households reporting incomes between $75,000 and $150,000.

Figure 7.5
Household Income Distribution, (%) - 2000

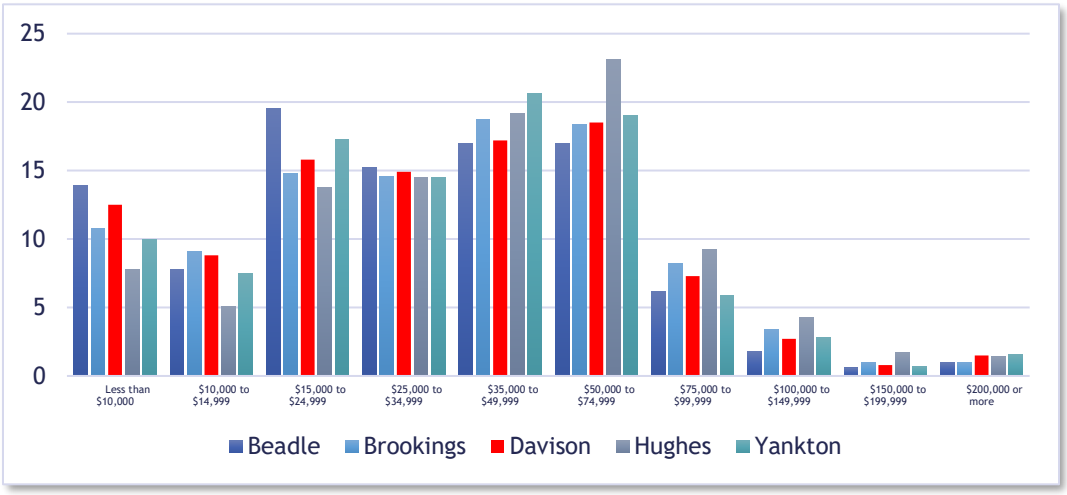


Figure 7.6
Household Income Distribution, (%) - 2010

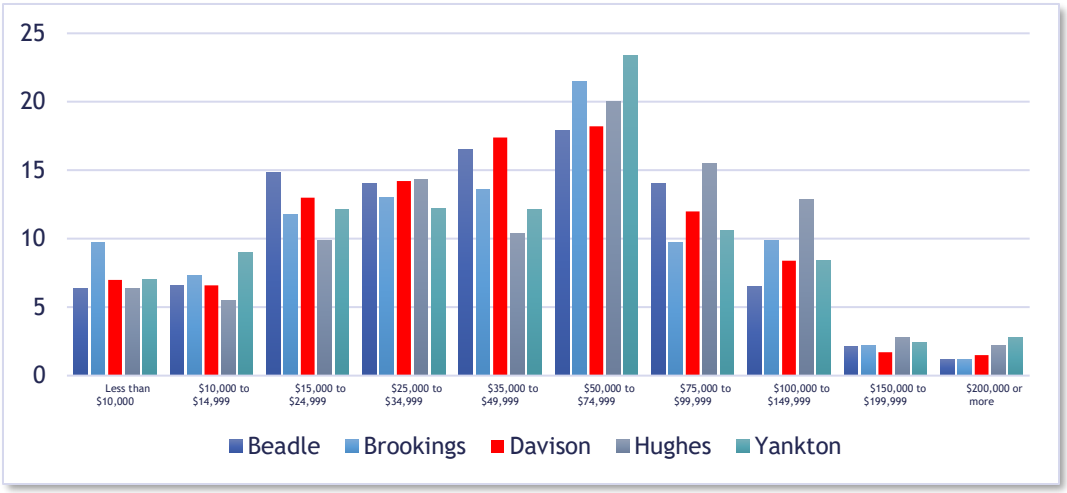
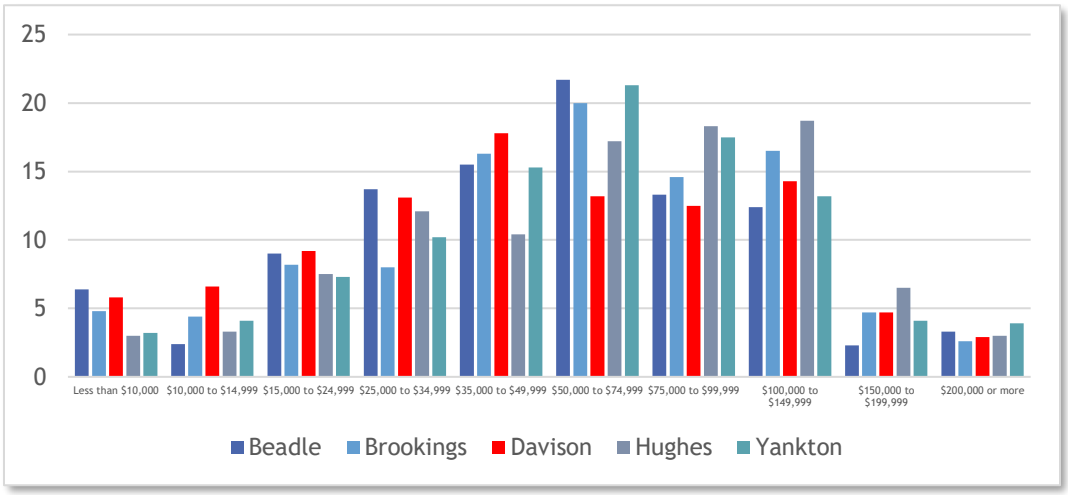


Figure 7.7
Household Income Distribution, (%) - 2020



The primary measurements of the economy for many individuals are jobs and salaries. Therefore, the following tables focus on earnings. The tables present the data by various categories including area of employment, year, region, and position or job description. Some of the data have been categorized by Standard Industrial

Classification or SIC code. **Table 7.19** identifies average salary disbursements for the period of 2014 to 2020 by two year increments. As expected, the average earnings of workers have increased since 2014. A rise in income does not necessarily ensure more wealth and must be considered against other information such as home prices or rental rates. The change in Davison County's average wage per job was average when compared to the other counties and the state between 2014 and 2020, which is also true for the County's average wage per job in 2020 of $44,086.

TABLE 7.19
Average Wage Per Job - 2007-2020

Year	2014	2016	2018	2020	% Change 2014-2020
Beadle	$36,184	$38,761	$40,623	$44,162	22.0%
Brookings	$36,211	$38,760	$40,895	$45,263	25.0%
Davison	$35,403	$37,646	$40,467	$44,086	24.5%
Hughes	$39,549	$42,048	$44,007	$49,222	24.5%
Yankton	$37,227	$39,258	$43,023	$47,319	27.1%
South Dakota	$36,184	$38,761	$40,623	$44,162	22.0%

Source: Bureau of Economic Analysis

The average wage earned for the years 2014, 2016, 2018, and 2020 within the defined employment class for each of the comparative entities are presented in **Table 7.20**. The level of wages can play a factor in attracting people into the labor force in a community. The average annual salary for two of Davison County's base industries, construction and manufacturing, have been competitive in the South Dakota labor market. The salaries for these industries have been instrumental in increased employment and productivity.

TABLE 7.20
Average Annual Salary by Major Industry - 2014 - 2020

Industry Entity	Year	Construction	Educational Services	Health Care and Social Assistance	Mfg.	Wholesale Trade
Beadle	2014	$43,716	--	--	$38,550	$50,549
	2016	$51,274	--	--	$38,908	$53,277
	2018	$51,132	--	--	$41,237	$55,809
	2020	$56,258	--	--	$43,168	$57,771
	% Change	**28.7%**	**--**	**--**	**12.0%**	**14.3%**
Brookings	2014	$47,280	$17,236	$29,475	$53,276	$59,739
	2016	$52,315	$22,803	$32,079	$56,317	$63,841
	2018	$51,583	$16,719	$32,970	$60,403	$68,619
	2020	$49,065	$17,832	$37,282	$67,256	$75,125
	% Change	**3.8%**	**3.5%**	**26.5%**	**26.2%**	**25.8%**
Davison	2014	$44,374	$32,170	$40,663	$45,136	$55,051
	2016	$48,301	$30,359	$44,262	$45,644	$57,175
	2018	$53,602	$32,327	$47,223	$50,701	$58,599
	2020	$55,987	$29,959	$50,343	$53,476	$63,819
	% Change	**26.2%**	**-6.9%**	**23.8%**	**18.5%**	**15.9%**
Hughes	2014	$37,464	$38,018	$44,949	$34,263	$56,159
	2016	$40,977	$43,965	$45,436	$34,690	$58,008
	2018	$42,161	$45,116	$47,683	$36,271	$62,381
	2020	$45,987	$47,137	$56,684	$36,771	$65,954
	% Change	**22.7%**	**24.0%**	**26.1%**	**7.3%**	**17.4%**
Yankton	2014	$35,043	$31,524	$48,106	$45,295	$52,325
	2016	$40,355	$29,054	$51,398	$47,793	$46,789
	2018	$44,269	$30,629	$53,436	$52,511	$51,981
	2020	$47,759	$32,077	$61,605	$55,669	$55,219
	% Change	**36.3%**	**1.8%**	**28.1%**	**22.9%**	**5.5%**

Source: SD Dept of Labor, Labor Market Information Center

Poverty

Salary data represent the income side of a family or household cash flow though without an accurate list of expenses it is difficult to see how a family or household if fairing. The one social indicator with statistical data is poverty related information.

The measure of poverty is an important social indicator that affects not only public perceptions of well-being in a region, but also public policies and programs. The current measure was originally developed in the early 1960s as an indicator of the number and proportion of people with inadequate family incomes for needed consumption of food and other goods and services. At that time, the poverty "line" for a family of four had broad support. Since then, the poverty measure has been widely used for policy formation, program administration, analytical research, and general public understanding.

The Census Bureau uses a set of money income thresholds that vary by family size and composition to determine who is in poverty. If the total income for a family or unrelated individual falls below the relevant poverty threshold, then the family (and every individual in it) or unrelated individual is considered in poverty. The following tables review poverty statuses within the comparative counties. **Table 7.21** provides and overview of poverty numbers and percentages for the period between 2000 and 2020.

TABLE 7.21
Number and Percent of People in Poverty - 2000 - 2020

Area or Entity	2000 Persons	% Below Poverty	2010 Persons	% Below Poverty	2020 Persons	% Below Poverty
Beadle	1,927	11.9%	2,227	12.8%	2,553	14.2%
Brookings	3,562	14.0%	5,370	16.8%	4,336	13.7%
Davison	**2,068**	**11.5%**	**2,340**	**12.0%**	**2,476**	**13.0%**
Hughes	1,255	8.0%	1,525	9.3%	1,931	11.8%
Yankton	1,920	9.6%	2,378	10.6%	2,123	10.0%
South Dakota	95,900	13.2%	112,357	13.8%	108,863	12.8%

Sources: 2000 Census, CP-2-431994; 1990 Census, CP-2-43; 1980 Census, PC80-1-C43

While the **number** of people in poverty in Davison County increased by 19.7% between 2000 and 2020, the **percent** of people below poverty increased by only 1.5% percentage points.

Poverty affects persons of all ages with the largest impact upon children, thus the need to examine family data. **Table 7.22** provides poverty numbers and percentages for families. The number of families that fall below the poverty level in Davison County increased slightly between 2000 and 2020, from 396 to 411. The percentage of families below the poverty level in Davison County decreased over the period from 8.2% to 7.8%. The percentage of families in poverty consistently remained below the state's level. The number and percentage of families in poverty can be linked to the area's economic performance. For example, Beadle County experienced immigration of people and families from Myanmar (formerly Burma) between 2010 and 2020. The immigrants experienced some difficulty assimilating to life in Huron. This is the primary reason that Beadle County had an increase of over 150 families in poverty between 2010 and 2020.

TABLE 7.22
Families and Percent in Poverty - 2000 - 2020

Area or Entity	2000 Families	% Below Poverty	2010 Families	% Below Poverty	2020 Families	% Below Poverty
Beadle	365	7.9%	316	7.4%	482	10.5%
Brookings	390	6.2%	443	6.9%	412	6.0%
Davison	**396**	**8.2%**	**395**	**7.8%**	**411**	**7.8%**
Hughes	261	6.0%	321	7.1%	375	8.5%
Yankton	357	6.6%	222	4.0%	367	6.2%
South Dakota	18,172	9.3%	18,288	8.8%	17,691	8.1%

Sources: 2000 Census, CP-2-431994; 1990 Census, CP-2-43; 1980 Census, PC80-1-C43

Public Assistance Programs

Another measure of an area's socioeconomic status is a review of participation levels in the Supplemental Nutrition Assistance Program (SNAP) as shown in **Table 7.23**. The SNAP, formerly the Food Stamp Program, helps low-income individuals and families obtain better nutrition through monthly benefits they can use to purchase food. For children, a better diet means better learning in school. For adults, it means better performance on the job or a better foundation for developing job skills that can give them and their families independence. **Table 7.22** identifies 411 families who were categorized as being of poverty status in 2020. **Table 7.23** reports 879 households in Davison County who participated in the food stamp program in 2020.

TABLE 7.23
Households Participating in SNAP - 2014 – 2020

	2014	2016	2018	2020
Beadle	1,299	1,263	1,158	1,027
Brookings	819	769	763	690
Davison	1,045	993	952	879
Hughes	753	712	764	705
Yankton	1,190	1,089	1,014	958

https://datacenter.kidscount.org/data#SD/

The data within **Table 7.24** tracks the Food Stamp Program participation level for the previous six years. The number of persons utilizing the program fluctuates from year to year, but there has been a general decrease in the number of households and persons in the SNAP program in Davison County. The number of participants has a direct relationship to the County's economy and major employment shifts; such as plant closings or layoffs.

TABLE 7.24
Davison County SNAP Participation by Age Group

Age Group	2014	2016	2018	2020
Ages 0-4	322	286	263	216
Ages 5-13	500	457	405	379
Ages 14-17	119	125	101	93

https://datacenter.kidscount.org/data#SD/

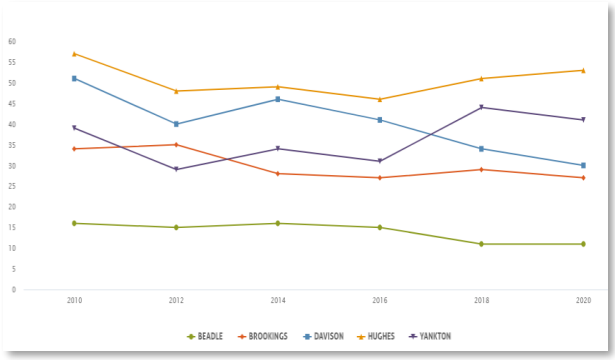
South Dakota Temporary Assistance for Needy Families (TANF) is a temporary public assistance work program administered by the Department of Social Services and the Department of Labor and Regulation. It is designed to provide temporary assistance and economic self-sufficiency for children and families.

TANF is a needs-based program for families with children under age 18 who need financial support because of:

- A death of a parent,
- A parent is absent from the home, or
- Physical or mental incapacity or unemployment of a parent.

TANF provides financial assistance to help pay for food, shelter, utilities, and expenses other than medical costs. According to **Figure 7.8**, the number of families in Davison County that have participated in the TANF program has decreased from nearly 50 in 2014 to just above 30 in 2020. The number of families that participate in the TANF program in Beadle County has remained relatively low compared to the comparable counties.

Figure 7.8
Number of Families Participating in the Temporary Assistance for Needy Families Program (TANF) 2010-2020



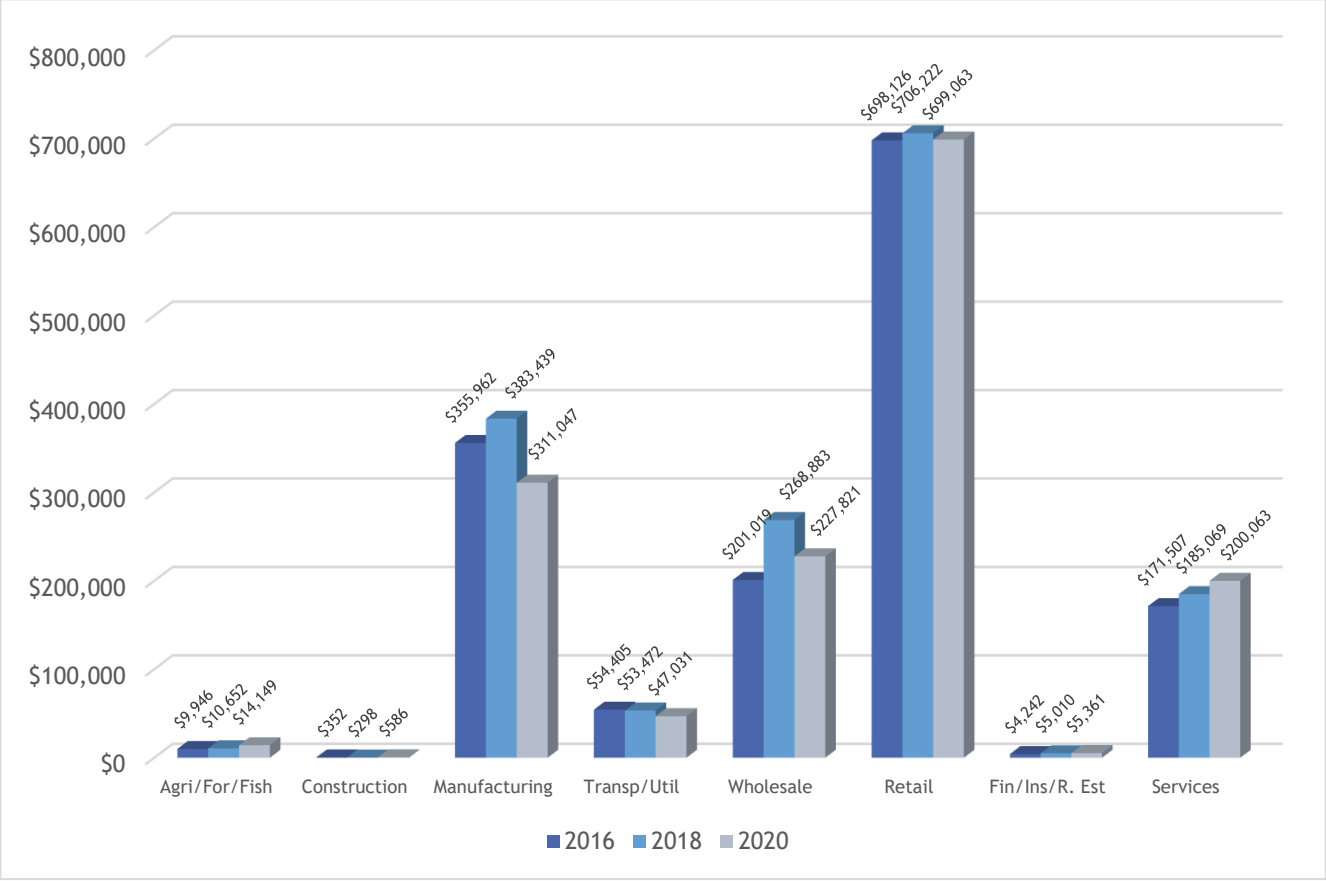
Sales and Tourism

The term "economy" is not autonomous in nature. The economy influences and is influenced by the same issues. The intent of this section is to provide an overview of the economy within Davison County. It will focus on the primary economic activities and factors.

The state of an economy is measured with numerous factors: one of which is sales. Sales may be used to measure the relative "health" of an economy, primarily as it is perceived by the general public. Consumers reflect their confidence in an economy through spending habits.

Figure 7.9 illustrates the recent trends in general gross sales by major industry sector within Davison County between 2016 and 2020. The biggest drivers of sales in Davison County are manufacturing and retail. Gross sales in retail increased slightly by 7.5% while gross sales in manufacturing fell by 12.6%. Sales in wholesale trade increased over 13% between 2016 and 2020.

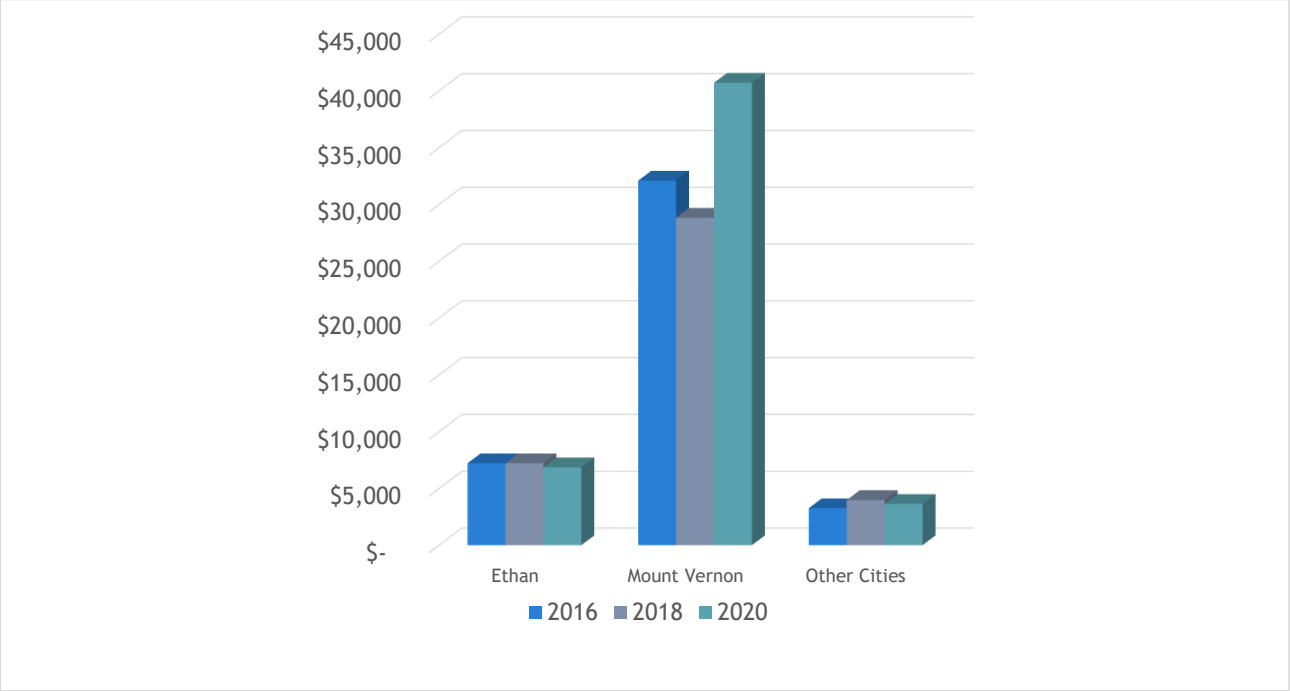
FIGURE 7.9
Davison County – General Gross Sales ($000's)
2016-2020



Source: SD Dept of Revenue, South Dakota Sales and Use Tax Report: 2016-2020

The economy of a county includes all activity within the respective communities as well as the rural areas. The impact of the small towns within the County for the four year period of 2016-2020 shown in **Figure 7.10**.

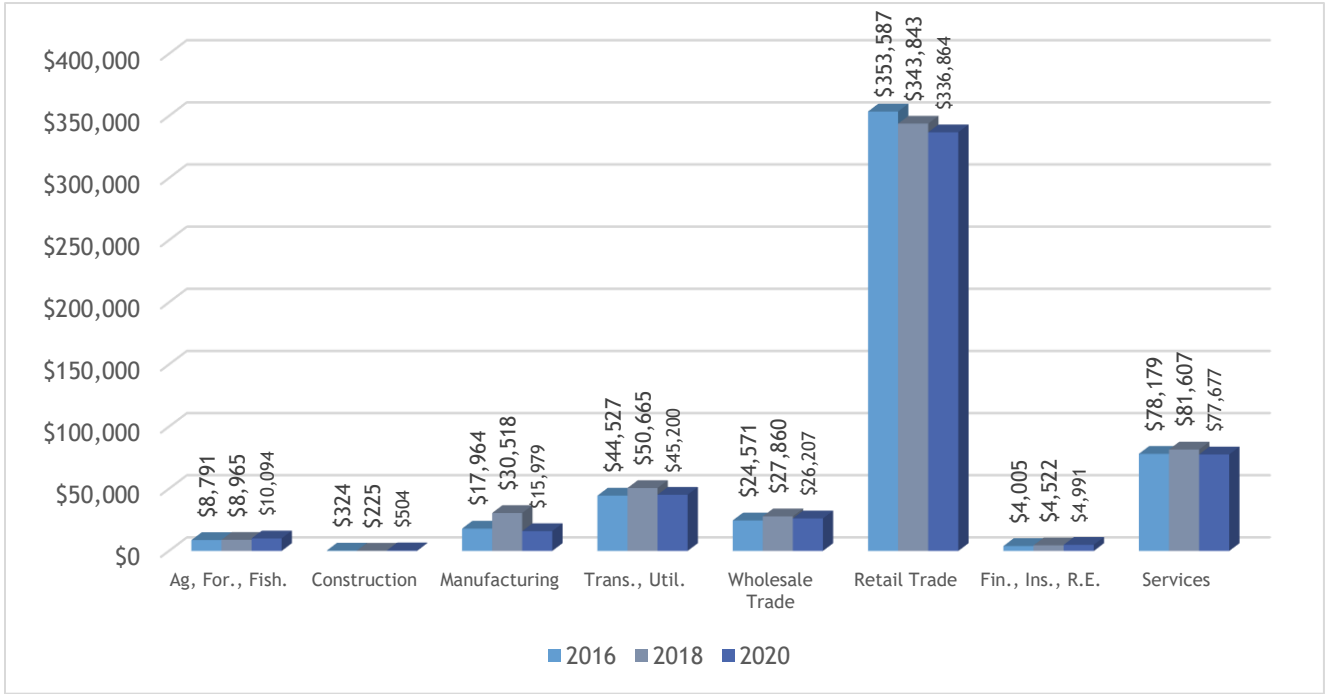
FIGURE 7.10
Davison County -Towns
General Gross Sales ($000's), 2016-2020



Source: SD Dept of Revenue, South Dakota Sales and Use Tax Report :2016-2020

Gross figures provide an overall view of a region's economic vitality. As **Figure 7.11** illustrates, Mitchell is the economic engine of Davison County which drives gross sales. Taxable sales numbers may be more important to the general public, as these figures have a direct impact upon individual residents. **Figure 7.11** illustrates the taxable sales for the four-year period of 2016-2020 within Mitchell.

FIGURE 20
Mitchell - Taxable Sales ($000's), 2016-2020



Source: SD Dept. of Revenue, 2016-2020 Sales and Use Tax Report

The impact of retail sales in Mitchell on Davison County's economy becomes apparent when viewing the taxable sales data for the City. In addition to retail sales, the top sectors include services, wholesale, manufacturing and transportation-utilities. These sectors have led in taxable sales in the past and are most likely to continue for the foreseeable future.

In addition to sales figures, the impact of new business start-ups and closings can be significant, especially to the economies of smaller entities. The dynamics of business openings to closings are tracked to indicate the vitality of an economy. The information in **Table 7.25** includes data for the major industry sectors in Davison County for 2016-2019.

The role of entrepreneurs is one of the pillars of the economy. One of the unique characteristics of the U.S. economic system is the freedom to start a business relatively easily and quickly. Indeed, one of the engines of growth is the employment and wages generated by new businesses. It is also an economic reality that businesses close frequently.

The data includes the number of establishments in each sector, the change in the number of establishments from the previous year, and the number of establishment births, exits, and jobs gained or lost from annual establishment expansions and contractions.

Establishment dynamics in each sector have not changed dramatically in the study years. The exception is in the accommodations and food services sector, where the number of establishments increased from 71 to 80 between 2016 and 2019 and there was a net increase of 109 jobs gained in the sector in 2019.

The story of entrepreneurship also entails a never-ending search for new and imaginative ways to combine the factors of production into new methods, processes, technologies, products, or services. These efforts lead to the growth of new businesses, the decline of less productive ones, and the reallocation of resources from less profitable businesses and establishments to more profitable ones

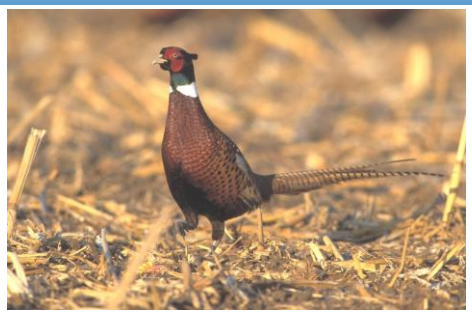
TABLE 7.25
Establishment Changes in Selected Industries

	Period	Establishments	Establishments Born	Establishments Exited	Jobs Added from New & Expanding Establishments	Jobs Lost from Exiting & Contracting Establishments	Net Jobs
Total	**2016**	674	40	49	973	995	-22
	2017	670	43	47	1,007	1,476	-469
	2018	669	35	36	989	909	80
	2019	672	42	40	822	957	-135
Construction	**2016**	62	6	8	90	55	35
	2017	58	4	9	48	87	-39
	2018	55	4	7	100	41	59
	2019	57	9	7	33	88	-55
Manufacturing	**2016**	40	D	D	23	86	-63
	2017	38	0	D	65	242	-177
	2018	36	D	3	241	72	169
	2019	34	0	D	51	79	-28
Wholesale Trade	**2016**	40	5	D	54	42	12
	2017	41	D	D	47	38	9
	2018	41	D	D	50	23	27
	2019	40	D	D	26	76	-50
Retail Trade	**2016**	126	4	5	111	152	-41
	2017	124	6	7	244	392	-148
	2018	118	3	8	138	137	1
	2019	115	D	5	58	164	-106
Transportation and Warehousing	**2016**	28	D	0	8	22	-14
	2017	27	3	4	21	19	2
	2018	26	D	D	10	36	-26
	2019	27	3	D	24	14	10
Professional, Scientific, and Technical Services	**2016**	40	3	3	121	30	91
	2017	42	3	D	36	22	14
	2018	45	3	0	34	18	16
	2019	47	D	0	116	12	104
Health Care and Social Assistance	**2016**	66	D	3	214	177	37
	2017	65	D	D	206	276	-70
	2018	65	0	0	74	228	-154
	2019	70	D	D	114	193	-79
Accommodation and Food Services	**2016**	71	8	9	191	244	-53
	2017	73	6	4	156	210	-54
	2018	73	6	5	157	193	-36
	2019	80	11	5	265	162	103

Source: U.S. Census Bureau, 2019 Business Dynamics Statistics

Outdoor Recreation

Tourism is an important economic activity throughout the State, region, and County. There are numerous organizations such as multi-county and local tourism organizations in addition to the South Dakota Department of Tourism and State Development who actively promote visitor attractions and services. The economic benefits associated with outdoor recreation can be a powerful engine for rural communities across the nation, generating additional spending, supporting and creating jobs, and building future investments in open spaces and recreational areas.



Ring Necked Pheasant

South Dakota's Game, Fish, and Parks (GFP) commissioned a study of fishing, hunting, trapping, wildlife viewing, boating, and state park visitation to estimate the level of activity and economic contributions they make to the state's economy. Drawing from license sales records and survey-based data sources, this report presents economic contributions based on retail spending in South Dakota attributable to these activities. Altogether, the lands, waters and wildlife resources managed by GFP directly served at least 7.5 million people in 2016. In the course of all that activity, participants spent over $1.33 billion in South Dakota.

Figure 7.12 illustrates the concentration of pheasants in southeast South Dakota. This region features an abundant level of pheasants, over 50 birds per square mile, that attract visitors from out-of-state. The richness of pheasants in **Figure 7.12** translates to **Table 7.26,** which shows the impact of pheasant hunting in Davison County. The concentration of hunters in the county has decreased slightly, but total spending from non-resident and resident hunters have generally increased.

Figure 7.12 – Pheasant Harvest per Square Mile

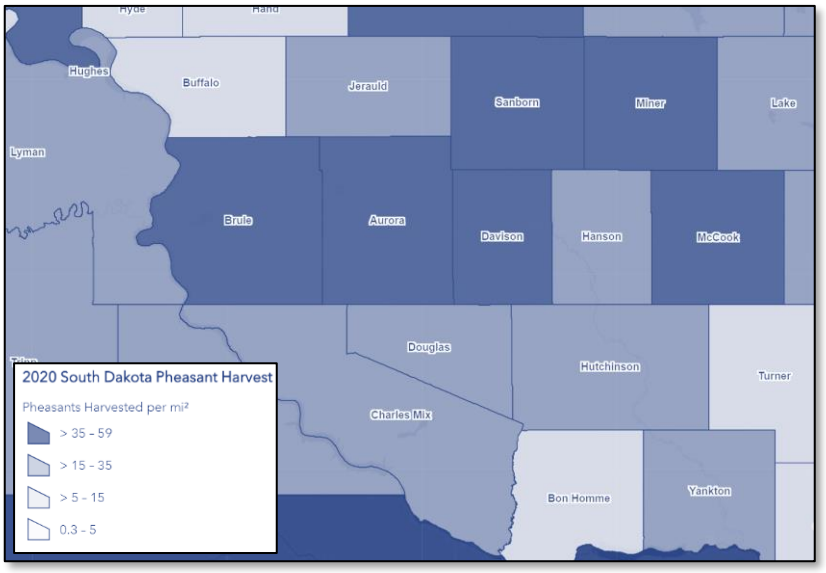


Table 7.26

Pheasant Harvest and Economic Impact; 2020

	Davison	Aurora	Brule	Douglas	Hanson	Hutchinson	Sanborn
Pheasants Harvested by Residents	10,354	16,268	13,322	4,932	7,131	14,752	14,155
Pheasants Harvested by Non-Residents	14,510	22,094	36,997	6,658	3,427	10,900	9,312
Pheasants Harvested per mi²	56.90	53.8	59.48	26.7	24.27	31.51	41.17
Dollars spent by Residents (Millions)	$1.71	$2.35	$2.65	$0.91	$0.77	$2.18	$2.25
Dollars spent by Non-residents (Millions)	$3.59	$4.8	$8.37	$1.38	$1.06	$1.97	$1.97
Total Spending in Millions of Dollars	$5.3	$7.15	$11.02	$2.29	$1.83	$4.15	$4.22

Source: South Dakota Game Fish & Parks

Corn Palace

The World's Only Corn Palace is Mitchell's premier tourist attraction. Some 500,000 tourists come from around the nation each year to see the uniquely designed corn murals. The city's first Corn Palace was built as a way to prove to the world that South Dakota had a healthy agricultural climate.

A Rich History

Eight years before the turn of the 20th century, in 1892 (when Mitchell, South Dakota was a small, 12-year-old city of 3,000 inhabitants) the World's Only Corn Palace was established on the city's Main Street. During it's over 100 years of existence, it has become known worldwide and now attracts more than a half a million visitors annually. The palace was conceived as a gathering place where city residents and their rural neighbors could enjoy a fall festival with extraordinary stage entertainment - a celebration to climax a crop-growing season and harvest. This tradition continues today with the annual Corn Palace Festival held in late August each year.

By 1905 the success of the Corn Palace had been assured and a new Palace was to be built, but this building soon became too small. In 1919, the decision to build a third Corn Palace was made. This one was to be permanent and more purposeful than its predecessors. The present building was completed in 1921, just in time for the Corn Palace Festivities. That winter Mitchell hosted its first boy's state basketball tournament. The building was considered to have the finest basketball arena in the upper Midwest area.

In the 1930's, steps were taken to recapture the artistic decorative features of the building and minarets and kiosks of Moorish design were added restoring the appearance of early day Corn Palace.

The Corn Palace Today

Today, the Corn Palace is more than the home of the festival or a point of interest of tourists. It is a practical structure adaptable to many purposes. Included among its many uses are industrial exhibits, dances, stage shows, meetings, banquets, proms, graduations arena for Mitchell High School and Dakota Wesleyan University as well as district,

The Corn Palace in Mitchell

regional and state basketball tournaments. USA Today named the Corn Palace one of the top 10 places in America for high school basketball.

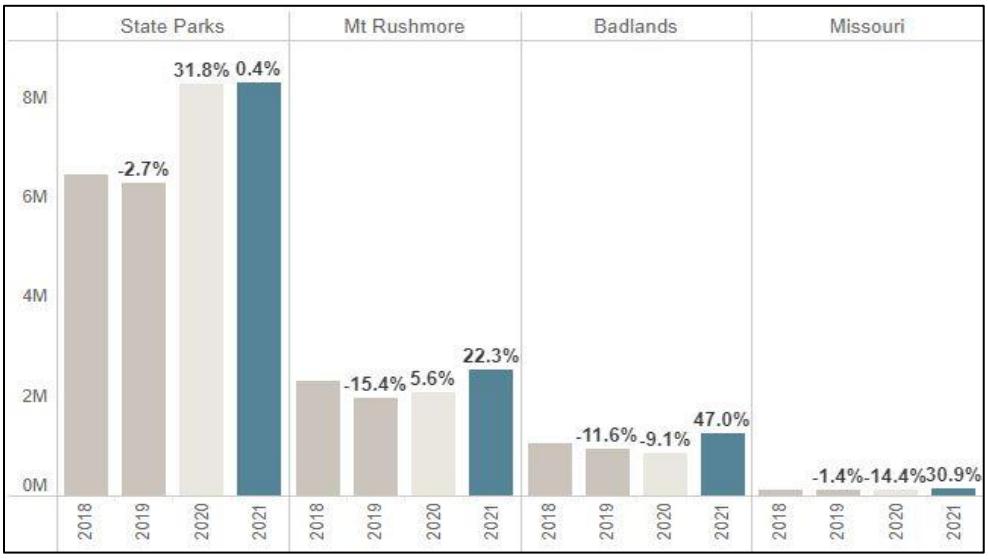
The Palace is redecorated each year with naturally colored corn and other grains and native grasses to make it "the agricultural show-place of the world". A different theme is chosen each year, and murals are designed to reflect that theme. Ear by ear the corn is nailed to the Corn Palace to create a scene. The decorating process usually starts in late May with the removal of the rye and dock. The corn murals are stripped at the end of August and the new ones are completed by the first of October. Just like South Dakota Agriculture, growing condition can affect production of our decorating materials and may delay the decorating process.

Prehistoric Indian Village

Located on the shores of Lake Mitchell, the Mitchell Prehistoric Indian Village is a 1,000 year-old Native American village and the only archaeological site in South Dakota that is open to the public. Guests can watch as archaeologists uncover artifacts in the comfort of the Thomsen Center Archeodome and tour the Boehnen Memorial Museum to see the reconstructed lodge and many of the 1.5 million artifacts. Children can dig for free arrowheads and everyone can learn the art of spear-throwing.

These facilities have resulted in numerous other visitor service businesses such as convenience stores and specialty shops. Communities are viewing conventions as a means of bolstering the "shoulder" tourism seasons (late fall, winter and early spring.)

Figure 7.13
South Dakota Park Visits, 2018-2021



The planning associated with convention events makes community organization essential. Having a local point of contact is vital in competing for even small conventions. The exact impact of tourism upon the local economy is difficult to calculate, yet the South Dakota Department of Tourism has implemented a system to reflect the effect of tourism upon the State, regions, and individual counties.

Figure 7.13 shows the number of visits to various tourism destinations in the state between 2018 and 2021. In spite of the COVID-19 pandemic of 2020, visitation to state parks, national monuments, and the Missouri River increased between 2020 and 2021.

Economic Impact of Regional Tourism

The southeast region, measured by visitor spending, ranks 2nd among the four tourism regions of the state. Nearly $1.6 billion, or 36.3% of the visitor spending in South Dakota - occurs in the Southeast region. 73% of the region's spending is spent in Minnehaha County. Minnehaha County captures 26.6% of all visitor spending state-wide. **Table 7.27** shows the total visitor spending by county in the Southeast region in South Dakota between 2016 and 2021. Visitor spending in Davison County has remained a strong second place in the region, averaging over $100 million per year.

Table 7.27: Visitor Spending in the Southeast Region; 2016-2021 (Millions of Dollars)

County	2016	2017	2018	2019	2020	2021	Percent Change 2020/2021	Share of Region
Bon Homme	$5.19	$4.76	$4.90	$5.27	4.53	5.94	31.2%	0.37%
Clay	$27.65	$28.68	$29.73	$28.89	$21.78	$29.18	33.9%	1.84%
Davison	$107.24	$103.73	$102.56	$106.40	$85.13	$104.23	22.4%	6.57%
Douglas	$3.07	$3.11	$3.23	$3.26	$2.99	$3.31	10.6%	0.21%
Hanson	$3.03	$2.84	$3.56	$3.39	$3.76	$4.30	14.3%	0.27%
Hutchinson	$13.83	$14.13	$14.93	$15.02	$11.31	$13.36	18.1%	0.84%
Lake	$24.76	$26.06	$26.07	$26.58	$24.75	$30.60	23.6%	1.93%
Lincoln	$89.43	$95.10	$87.34	$94.57	$71.53	$83.21	16.3%	5.24%
McCook	$9.31	$9.41	$8.90	$9.07	$7.79	$9.76	25.3%	0.61%
Miner	$4.97	$5.03	$5.32	$4.85	$5.37	$6.34	18.1%	0.40%
Minnehaha	$1,063.03	$1,070.59	$1,125.16	$1,207.23	$873.44	$1,162.55	33.1%	73.27%
Turner	$5.95	$6.02	$5.84	$6.30	$5.05	$6.12	21.2%	0.39%
Union	$48.53	$45.75	$47.91	$45.61	$37.54	$50.35	34.1%	3.17%
Yankton	$69.91	$70.87	$72.33	$74.25	$62.83	$77.51	23.4%	4.88%
Region Total	$1,475.90	$1,486.06	$1,537.78	$1,630.69	$1,217.80	$1,586.74	30.3%	100%
State Total	$3,835.83	$3,883.16	$3,981.61	$4,097.80	$3,343.40	$4,361.03	30.4%	

Source: South Dakota Department of Tourism

Table 7.28 shows the components of visitor spending by county in the Southeast region of South Dakota in 2021. The share of dollars spent on transportation in Davison County is higher than the state, primarily due to the fact that Davison County serves travelers on Interstate 90. The interstate also provides a competitive advantage for lodging and food & beverage sales.

Table 7.28: Visitor Spending Breakdown in the Southeast Region – 2021 (Millions of Dollars)

County	Lodging	F&B	Recreation	Retail	Transport	Total	Growth Rate	State & Local Tax Revenue
Bon Homme	$0.44	$2.12	$0.50	$0.47	$2.41	$5.94	31.2%	$0.57
Clay	$4.09	$9.00	$2.37	$3.51	$10.20	$29.18	33.9%	$2.32
Davison	$19.12	$23.44	$17.81	$21.15	$22.71	$104.23	22.4%	$7.80
Douglas	$0.25	$0.80	$0.21	$0.88	$1.16	$3.31	10.6%	$0.32
Hanson	$0.95	$0.90	$0.56	$0.79	$1.11	$4.30	14.3%	$0.48
Hutchinson	$0.95	$1.49	$1.45	$2.13	$7.35	$13.36	18.1%	$1.11
Lake	$3.51	$10.22	$5.25	$5.63	$5.99	$30.60	23.6%	$2.27
Lincoln	$7.68	$19.89	$16.36	$12.71	$26.57	$83.21	16.3%	$7.06
McCook	$1.45	$1.57	$0.80	$3.59	$2.35	$9.762	5.3%	$0.80
Miner	$1.18	$1.47	$0.63	$1.83	$1.22	$6.34	18.1%	$0.56
Minnehaha	$147.85	$270.86	$161.00	$287.98	$294.86	$1,162.55	33.1%	$80.69
Turner	$0.66	$1.11	$0.57	$1.36	$2.41	$6.12	21.2%	$0.77
Union	$6.97	$11.86	$12.61	$8.64	$10.26	$50.35	34.1%	$3.97
Yankton	$10.43	$23.04	$11.10	$17.41	$15.52	$77.51	23.4%	$5.05
Region	$205.53	$377.77	$231.23	$368.08	$404.13	$1,586.74	30.3%	$113.78
State	$887.54	$998.80	$665.42	$906.79	$902.47	$4,361.03	30.4%	$344.55

Source: South Dakota Department of Tourism

Analysis of tourism's impact on South Dakota starts with actual spending by tourists, but also considers the downstream effects of this injection of spending into the local economy. To determine the total economic impact of tourism in South Dakota, tourism spending is entered into a model of the South Dakota's economy. This model calculates three distinct types of impact: direct, indirect, and induced.

- Travelers create direct economic value within a discreet group of sectors (e.g. recreation, transportation). This supports a relative proportion of jobs, wages, taxes, and GDP within each sector.
- Each directly affected sector also purchases goods and services as inputs (e.g. food wholesalers, utilities) into production. These impacts are called indirect impacts.
- Lastly, the induced impact is generated when employees whose wages are generated either directly or indirectly by tourism, spend those wages in the local economy.

The impacts on business sales, jobs, wages, and taxes are calculated for all three levels of impact. With higher wages paid in the region, 45% of the state's tourism generated labor income goes to employees in the Southeast region. **Table 7.29** shows the economic impact of tourism in the Southeast Region of South Dakota in terms of employment and labor income. The visitor industry occupies 10.3% of the County's economy, which is the largest share of any county in the Region. Davison County's employment levels have contributed over $70 million in direct and indirect labor income.

Table 7.29: Economic Impact of Tourism in the Southeast Region - 2021

	Employment		Share of Region	Share of State	Share of County	Labor Income, (millions)	
	Direct	Indirect				Direct	Indirect
Bon Homme	57	86	0.4%	0.2%	2.7%	$1.22	$2.32
Clay	322	498	2.5%	0.9%	5.7%	$6.05	$11.63
Davison	1,123	1,566	8.0%	2.9%	10.3%	$28.12	$47.70
Douglas	20	32	0.2%	0.1%	1.6%	$0.27	$0.81
Hanson	39	63	0.3%	0.1%	4.1%	$0.90	$2.10
Hutchinson	76	135	0.7%	0.2%	3.0%	$1.29	$3.79
Lake	355	458	2.3%	0.8%	6.3%	$6.31	$10.92
Lincoln	598	894	4.5%	1.6%	2.5%	$13.41	$30.70
McCook	58	91	0.5%	0.2%	3.3%	$1.06	$2.54
Miner	49	75	0.4%	0.1%	5.0%	$0.64	$1.62
Minnehaha	9,604	13,896	70.6%	25.6%	8.7%	$275.74	$518.71
Turner	54	93	0.5%	0.2%	2.2%	$0.95	$2.58
Union	475	629	3.2%	1.2%	4.8%	$11.35	$22.04
Yankton	807	1,170	5.9%	2.2%	7.2%	$17.45	$33.62
Region	13,581	19,687		36.3%		$364.76	$691.07
State	36,907	54,192			9.1%	$960.86	$1,772.62

Source: South Dakota Department of Tourism

Agriculture

While agriculture is not directly identified as a major player in the "employment" or "income" categories, nor listed as a significant generator of taxable sales or jobs, it remains an important part of the state, regional, and local economies.

The United States Department of Agriculture prepares the Census of Agriculture every five years. The latest report contains information from 2017. The following two tables illustrate two significant trends in the agriculture sector. **Table 7.30** illustrates the number of operating farms between 1987 and 2017.

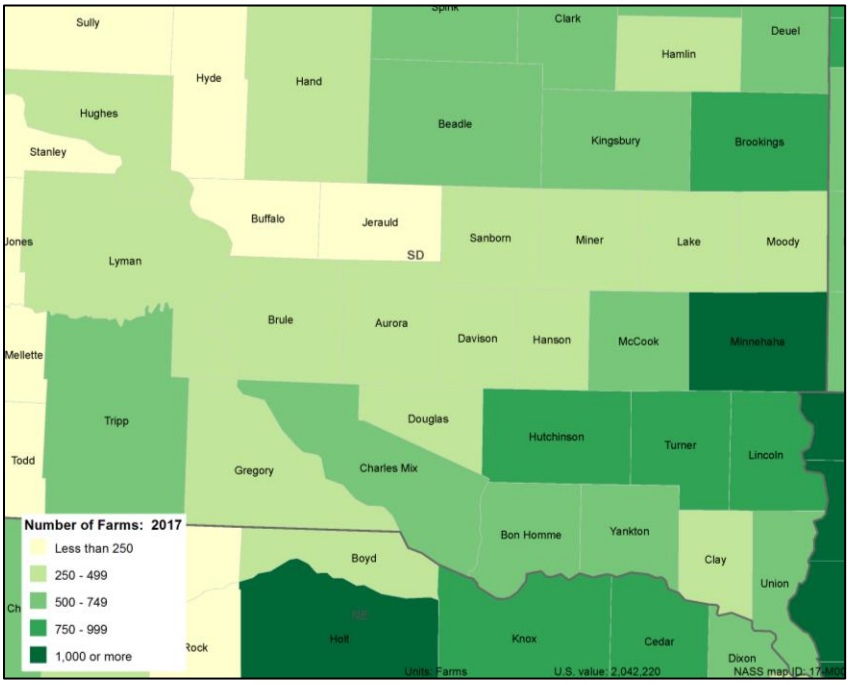
TABLE 7.30
Number of Farms - 1987 - 2017

Entity	1987	1992	1997	2002	2007	2012	2017
Beadle	872	813	731	728	750	754	744
Brookings	1,004	959	886	962	986	1,023	886
Davison	**464**	**462**	**429**	**481**	**406**	**427**	**463**
Hughes	297	256	287	258	305	**338**	**315**
Yankton	733	692	636	690	658	692	610
State	36,376	34,057	31,284	31736	31169	31,989	29,968

Source: USDA-NASS Census of Agriculture 1987-2017

The number of farms per county in 2017 is illustrated in **Figure 7.14**. The map shows the concentration of farms, but not the size of farms. Farms are concentrated in the southeast portion of South Dakota and in western Iowa.

Figure 7.14: Number of Farms, 2017



Source: 2017 Ag Census Web Maps

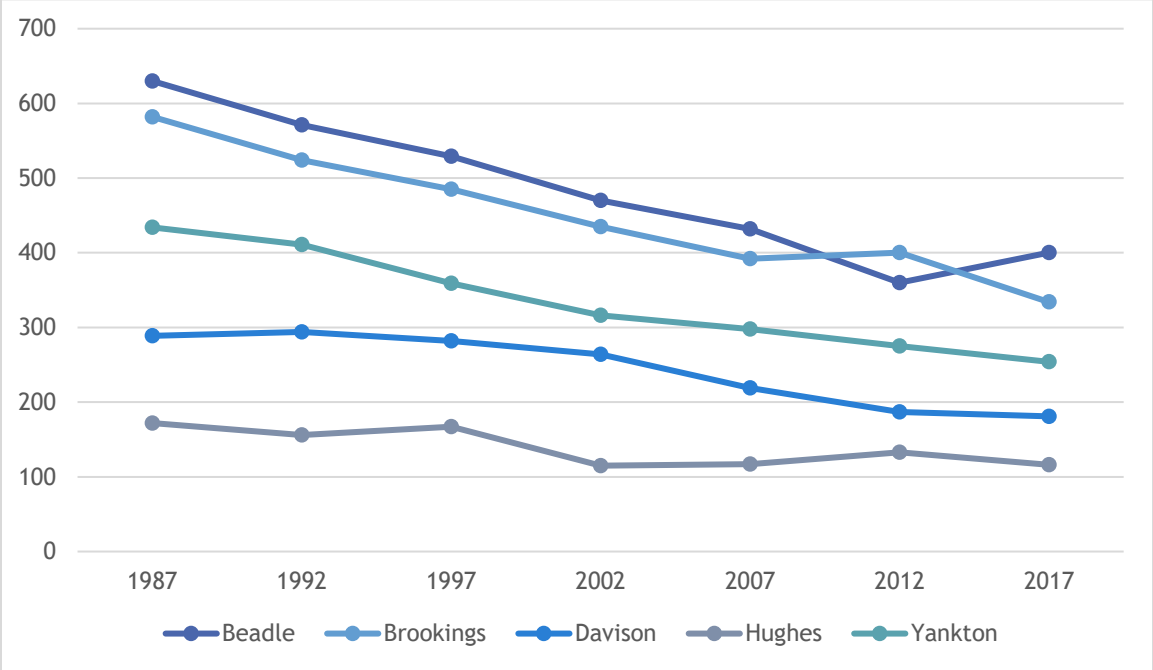
A decrease in the overall farm numbers leads to a decrease in farms raising livestock such as cattle and hogs. The data in **Table 7.31** details the number of farms raising cattle in those counties previously identified as similar to Davison County. **Figure 7.15** graphically supports the data in **Table 7.31**. The declining numbers appear to be a statewide trend.

TABLE 7.31
Number of Farms Raising Cattle - 1969 - 2017

Entity	1987	1992	1997	2002	2007	2012	2017
Beadle	630	571	529	470	432	360	400
Brookings	582	524	485	435	392	400	334
Davison	**289**	**294**	**282**	**264**	**219**	**187**	**181**
Hughes	172	156	167	115	117	**133**	**116**
Yankton	434	411	359	316	298	275	254
State	23,998	22,576	20,502	17,983	15,667	15,583	13,928

Source: USDA-NASS Census of Agriculture 1987-2017

FIGURE 7.15
Farms Raising Cattle



The downward trend is evident in Davison County where the total number of cattle operations has decreased from a high of 294 in 1992 to a low of 181 in 2017. In the 25 year period between 1992 and 2017, Davison County lost 113 cattle operations, a 38% decrease. During the same time period, the state lost 20,312 operations or 56%.

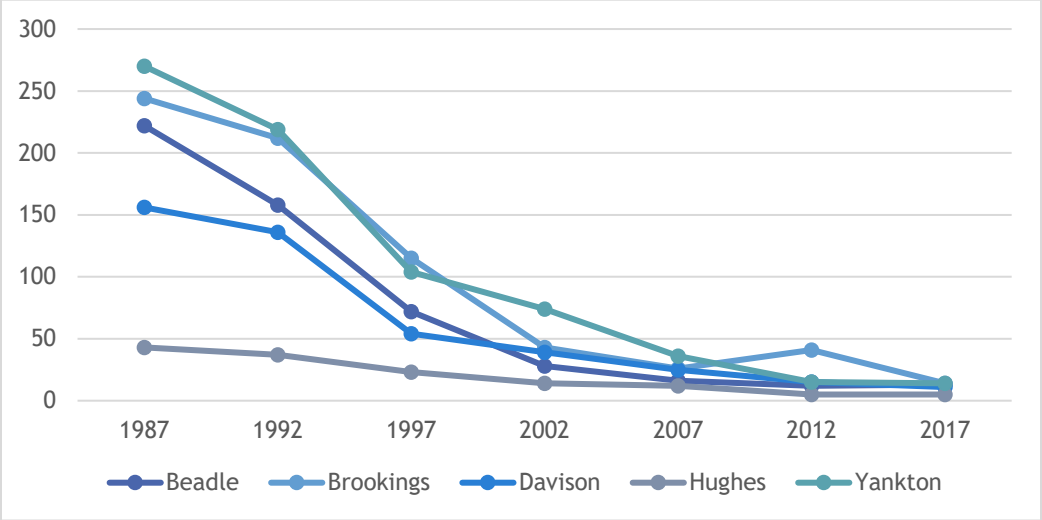
The statistics are even more dramatic when reviewing the number of hog operations lost during the same time frame **(Table 7.32 and Figure 7.16).** Davison County lost 269 hog operations over a forty-year period, effectively reducing the number of producers by 91%. At the same time, the state numbers decreased by 17,184 operations or 95%.

TABLE 84
Number of Farms Raising Hogs - 1969 - 2017

Entity	1987	1992	1997	2002	2007	2012	2017
Beadle	222	158	72	28	16	12	13
Brookings	244	212	115	43	26	41	14
Davison	**156**	**136**	**54**	**39**	**25**	**15**	**11**
Hughes	43	37	23	14	12	**5**	**5**
Yankton	270	219	104	74	36	15	14
State	7,906	6,710	2,889	1506	959	681	571

Source: USDA-NASS Census of Agriculture 1987-2017

FIGURE 7.16
Farms Raising Hogs



The map in **Figure 7.17** showed that most of the counties in eastern South Dakota are similar in size. So, it is logical to conclude that, where more farms are concentrated, the average size of the farms is smaller. Farms in eastern South Dakota are on average 500 or more acres in size. Farms in western Iowa are an average 300 to 500 acres. As the number of farms and hog or cattle operations decreased, the amount of land in farms and cropland has remained fairly steady **(Table 7.33)**.

TABLE 7.33
Average Farm Size - 1987 - 2017

YEARS SURVEYED CATEGORIES	1987	1992	1997	2002	2007	2012	2017
South Dakota - Land In Farms	44,157,503	44,828,124	44,354,880	43,785,079	43,666,403	43,257,079	43,243,742
Davison County - Land In Farms	246,207	270,665	274,474	278,672	279,524	275,291	270,256
South Dakota - Total Cropland	19,641,972	19,582,565	19,355,256	20,318,036	19,094,311	19,147,320	19,813,517
Davison County - Total Cropland	195,344	218,546	215,099	223,040	214,888	210,170	212,393
South Dakota - Avg. Farm Size	1,214	1,316	1,418	1,380	1,401	1,352	1,443
Davison County - Avg. Farm Size	531	586	640	579	688	645	584

Source: USDA-NASS Census of Agriculture 1987-2017

FIGURE 7.17
Average Size of Farms, 2017

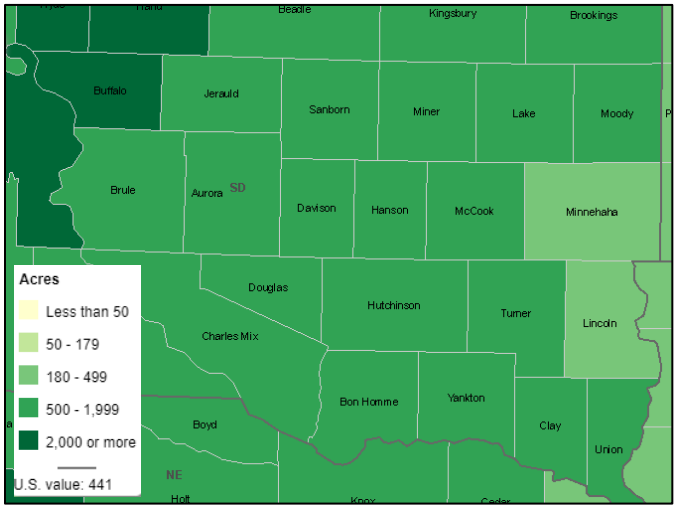
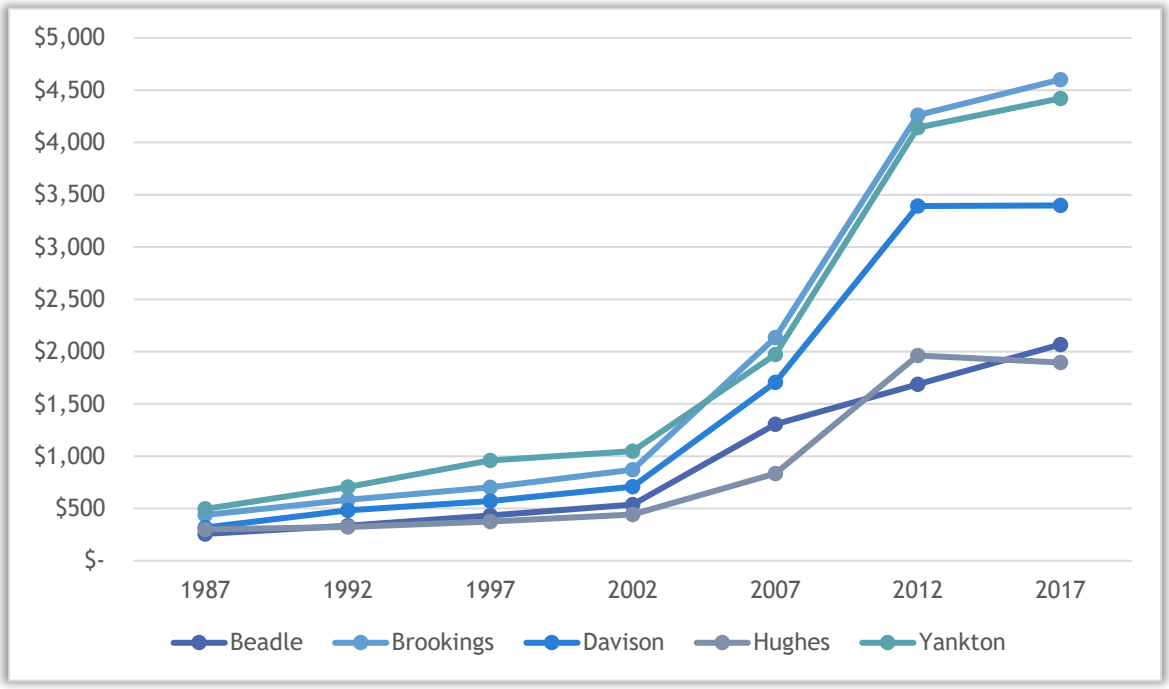


Table 7.33 also shows a general increase in the average farm size in the State and Davison County. The state wide average farm size has increased by 229 acres in 30 years. The same trend is true within Davison County where the average farm size has increased by 53 acres from 531 in 1987 to 584 acres in 2017.

Figure 7.18 details the per acre value of land for the 30-year period ending in 2017. The average per acre value for land and buildings in Davison County increased tenfold over this period from $318 per acre in 1987 to $3,398 per acre in 2017. Values in all of the study counties were very close to each other in 1987. **Figure 7.18** illustrates how several forces (market, location, productivity) affected the land values over time. The variance in per acre values between the highest

valued counties and lowest valued counties increased dramatically from $240 in 1987 to over $2,700 in 2017. Growth in land values in Davison County had kept pace with Brookings and Yankton Counties until 2012, when values appeared to level off.

Figure XX
Per Acre Value of Land and Buildings - 1987-2017



Source: USDA-NASS Census of Agriculture 1987-2017

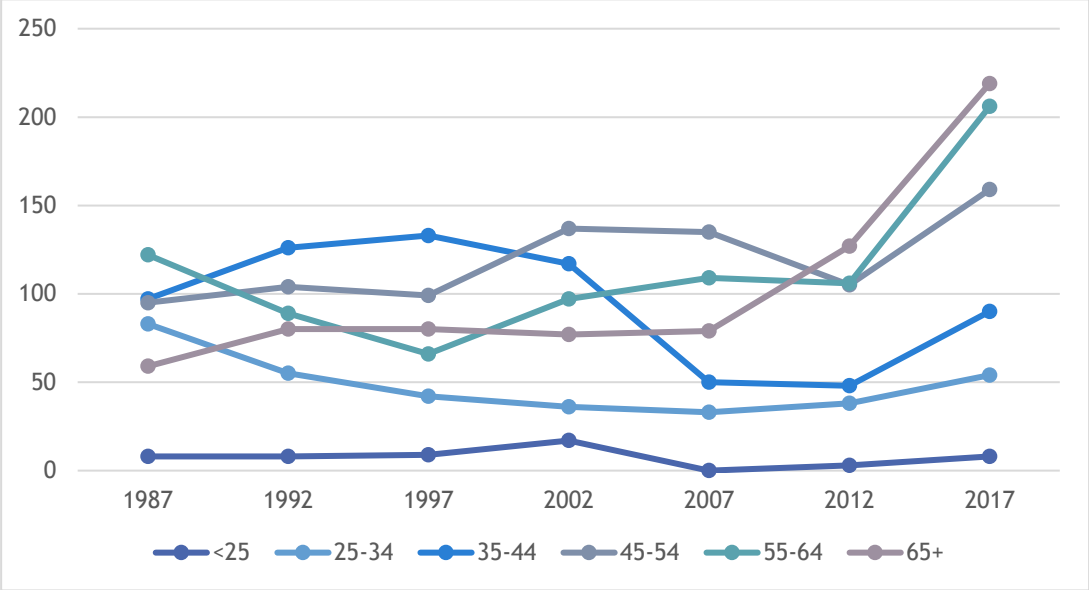
Table 7.34 illustrates that the number of farm operators had decreased in Davison County between 1987 and 2007. More recent data reveals that there has been a dramatic increase in the number of operators in Davison County between 2007 and 2017. An increase in the number of operators in the 25-34 and 35-44 age ranges may represent a transfer of the farm operation from one generation to another.

TABLE 7.34
Farms by Operator Ages - 1987 - 2017

OPERATORS AGE	1987	1992	1997	2002	2007	2012	2017
Davison County - Age <25	8	8	9	17	0	3	8
South Dakota - Age <25	1,146	765	668	414	242	258	675
Davison County - Age 25-34	83	55	42	36	33	38	54
South Dakota - Age 25-34	6,131	4,481	2,916	2,249	2,113	2631	4,496
Davison County - Age 35-44	97	126	133	117	50	48	90
South Dakota - Age 35-44	7,064	7,696	7,461	6,307	4,045	3922	6,205
Davison County - Age 45-54	95	104	99	137	135	105	159
South Dakota - Age 45-54	6,687	6,406	7,232	9,097	8,700	7445	8,139
Davison County - Age 55-65	122	89	66	97	109	106	206
South Dakota - Age 55-65	8,701	7,221	5,822	6,317	7,835	9,182	14,402
Davison County - Age 65 >	59	80	80	77	79	127	219
South Dakota - Age 65 >	6,647	7,488	7,185	7,352	8,234	8,551	14,996
Davison County Total	464	462	429	481	406	605	740
South Dakota Total	36,376	34,057	31,284	31,736	31,169	48,987	49,547

Source: USDA-NASS Census of Agriculture 1987-2017

FIGURE 7.19
Farm Producers by Age in Davison County, 1987-2017



The downward trend of production agriculture has been documented as to land, farms, and operators. Another measure regards livestock numbers. **Table 7.35** illustrates the number of cattle raised within Davison County, the comparative counties, and the entire state during the 30-year term of 1987-2017.

Hog Production Facility

TABLE 7.35
Inventory of Cattle - 1987-2017

	1987	1997	2002	2007	2012	2017
Beadle	111,527	98,920	108,198	114,035	94,623	96,986
Brookings	63,057	56,900	63,145	73,314	83,527	87,936
Davison	**33,314**	**34,720**	**40,620**	**34,615**	**23,371**	**24,399**
Hughes	27,382	31,133	24,047	25,450	**24,617**	**23,654**
Yankton	37,079	33,496	38,067	46,582	39,831	41,091
State	**3,630,200**	**3,723,271**	**3,695,877**	**3,687,728**	**3,893,251**	**3,988,183**

Source: USDA-NASS Census of Agriculture 1987-2017

Figure 7.20 illustrates the data in **Table 7.35** more clearly. Raising cattle has not been a significant element of Davison County agriculture over the past thirty years when compared to the other counties in the study. In 1987 there were 33,314 head of cattle in Davison County, a number which decreased by 8,915 in the past 30 years. This represents a 27% decrease in herd size within the county. The decrease in cattle numbers is significant due to changing agricultural practices the same changes have spurred an increase of hog numbers within the county, peaking at 45,832 in 2007.

Figure 7.20
Inventory of Cattle - 1987-2017

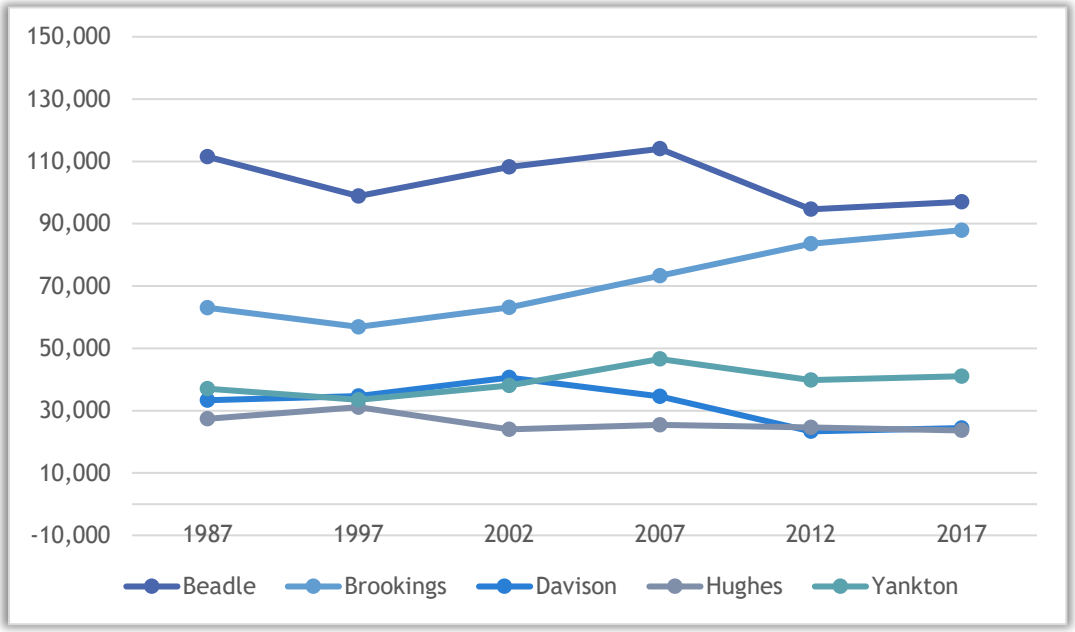


Table 7.36 documents the trend in hog inventory. Compared to the trends in the inventory of cattle, the inventory of hogs in Davison and the study counties has been erratic between 1987 and 2017. The inconsistent trend in hog inventories is better illustrated in **Figure 7.21.** Several counties have enacted zoning ordinances, particularly in the 1990s and 2000s, in order to manage the growth of the hog industry. The impact of runoff from hog facilities, manure management, and odor control are the primary reasons for counties taking legislative action.

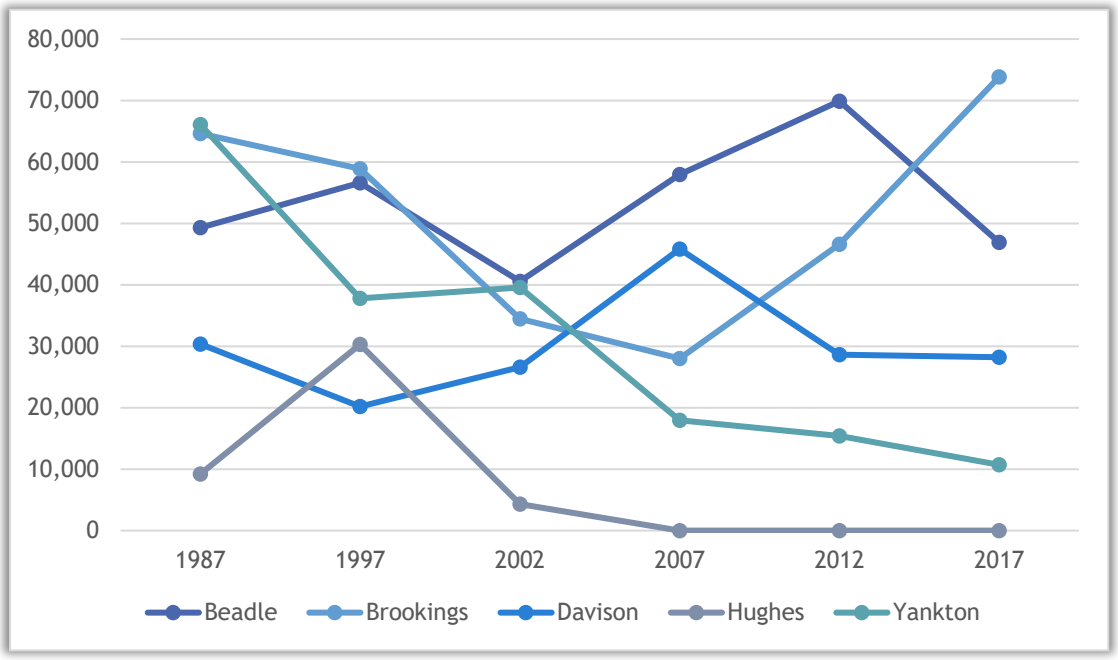
TABLE 7.36
Inventory of Hogs - 1987 - 2017

	1987	1997	2002	2007	2012	2017
Beadle	49,313	56,581	40,569	57,965	69,901	46,901
Brookings	64,601	58,890	34,483	28,015	46,580	73,820
Davison	**30,353**	**20,193**	**26,612**	**45,832**	**28,628**	**28,236**
Hughes	9,192	30,290	4,317	*	*	*
Yankton	66,083	37,823	39,568	17,981	15,405	10,712
State	**1,750,236**	**1,396,326**	**1,375,506**	**1,490,034**	**1,191,162**	**1,560,522**

Source: USDA-NASS Census of Agriculture 1987-2017

Inside a Hog Production Facility

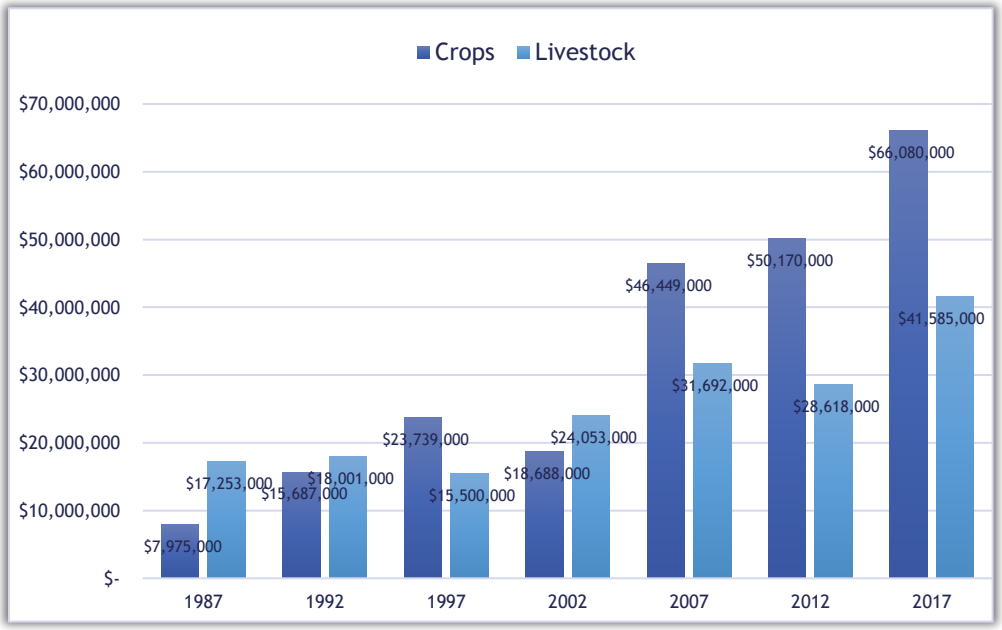
Figure 7.21
Inventory of Hogs - 1987 - 2017



Source: USDA-NASS Census of Agriculture 1987-2017

The data within the previous table examines one year and a multiple of counties whereas the information in **Figure 7.22** illustrates recent agricultural trends in Davison County. The most noticeable trend is the increase in crop production within the County. The reduction in livestock revenues is not as obvious; yet a decrease of $7.2 million in livestock production from 1992-1997 is significant.

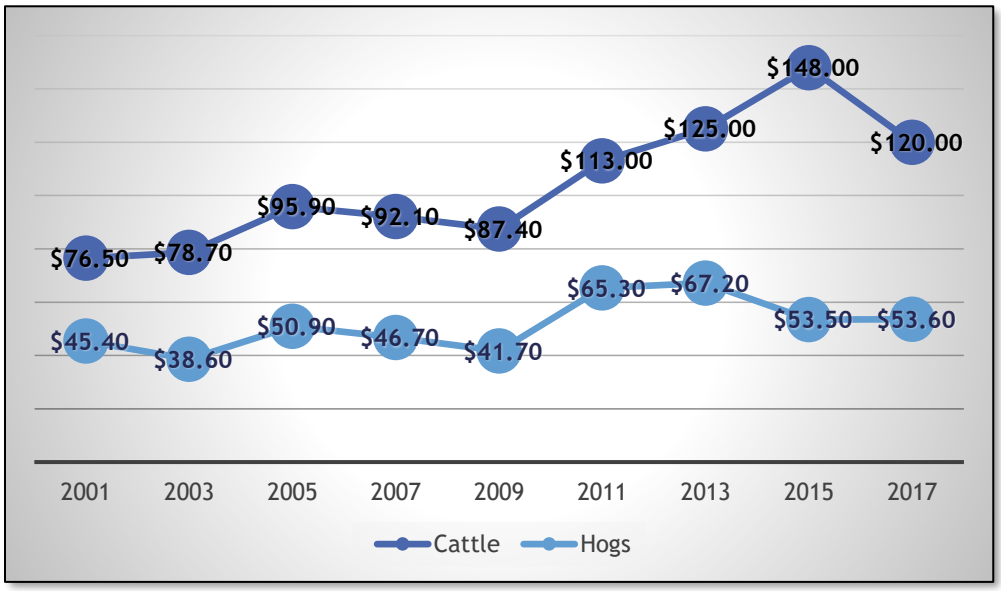
FIGURE 7.22
Value of Agriculture Products in Davison County - 1987 - 2017



Source: USDA-NASS Census of Agriculture 1987-2017

Livestock prices have a huge impact on the agricultural economy as they fluctuate up or down. **Figure 7.23** shows the instability of cattle and hog prices within the county over 16-year period ending in 2017. Any action that would increase the local value of livestock as commodities or "finished products" would assist in stabilizing the markets and have positive impacts on the economy.

FIGURE 7.23
Beef Cattle and Hog Prices; 2001 – 2017



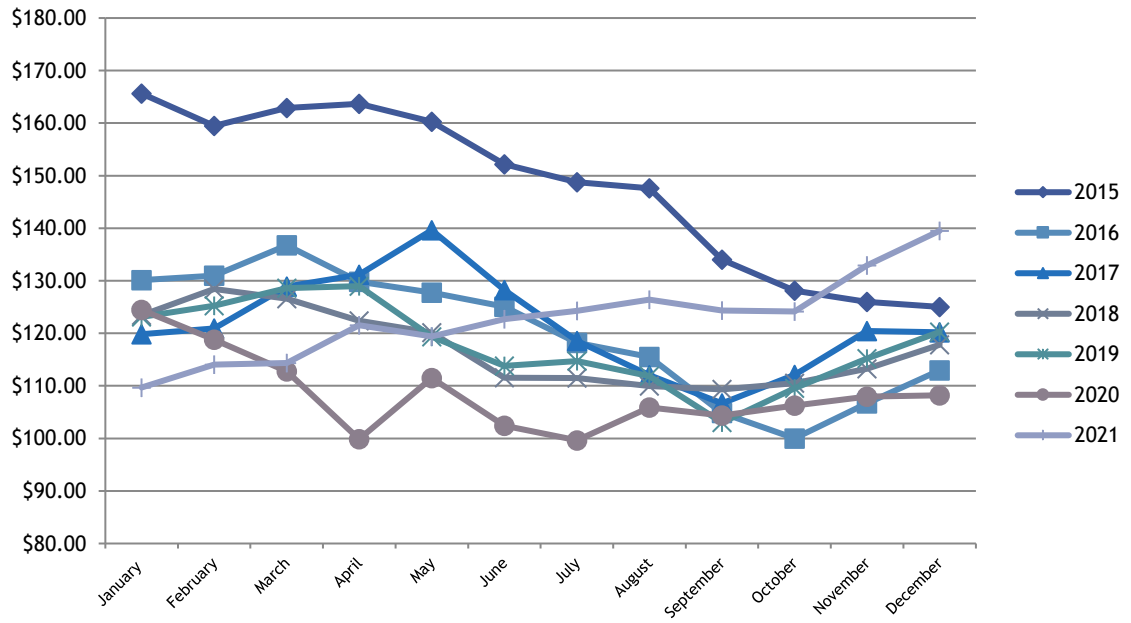
Source: USDA South Dakota Agricultural Statistics Service Annual Bulletins (Prices represent all hogs and beef cattle)

Cattle prices, influenced by changes in cattle slaughter, supplies of other meat and poultry products, demands for cattle for feeding or grazing, and consumer demands for beef, vary over the course of a year. If these changes are repeated from year to year, there may be seasonal patterns of price changes that are somewhat consistent and predictable. Seasonal price patterns may change some over time if there are changes in production technology, industry structure, or other factors that affect production or demand patterns.

Demand for beef is a schedule of quantities consumers are willing, and able, to buy over a range of prices. As would be expected, consumers buy less when prices rise. They buy more when prices fall. Importantly, demand is the entire set of those price and quantity pairs. April-June 2021 saw beef demand rise. Per-capita consumption surged by 9.6% compared to the second quarter of 2020 when COVID-19 related challenges constrained the ability to transform cattle into beef. An almost 10% rise in consumption should have trimmed real retail beef prices by 10.7%, but prices actually only slipped 6.1%. The smaller than expected price decline says demand improved.

July-September 2021 saw 6.0% lower per-capita beef consumption than during the same three months in 2020 and inflation-adjusted retail beef prices rose 5.9%. Price elasticity of demand indicates prices should have risen a bit more, say roughly 9.1%. That means the beef demand index did fall compared to the third quarter of 2020. Still, the beef demand index is among the top quarters in the data series that dates back to 1990. Persistent high retail prices appear to signal strong consumer-level beef demand. Far from wrecking demand. High prices are evidence consumers are "willing, and able, to buy" a relatively high quantity of beef. **Figure 7.24** illustrates the trend in monthly cattle prices between 2015 and 2021.

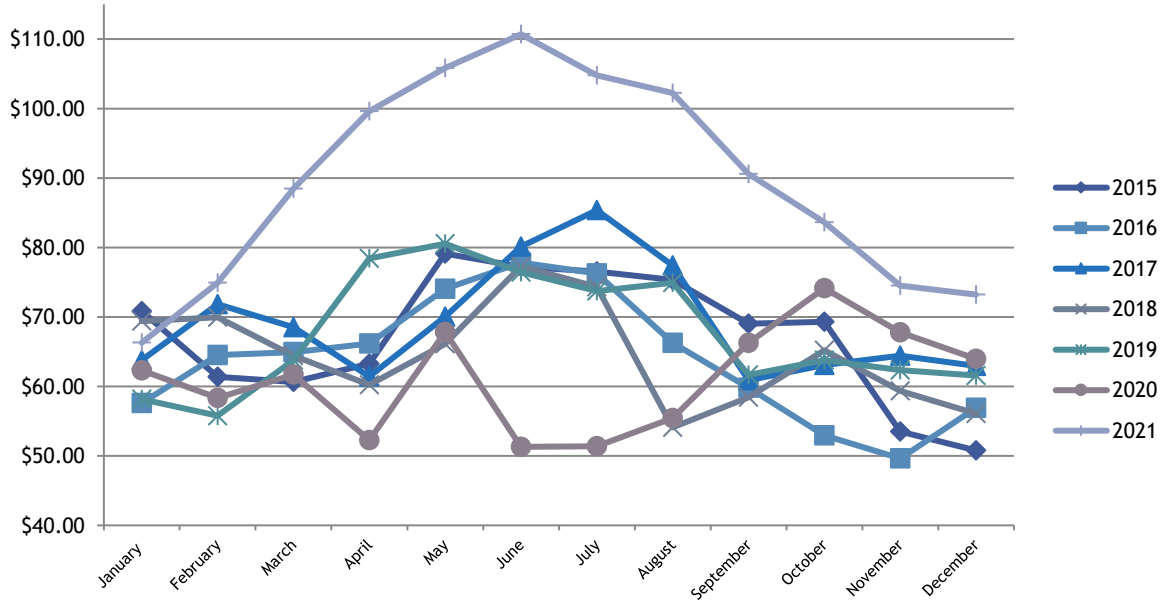
FIGURE 7.24
Historic Cattle Prices, 2015 – 2021



Source: USDA Livestock, Poultry & Grain Market News Division, LM_CT185 Iowa/Minnesota Monthly Weighted Average Cattle Report - Negotiated Purchases

Hog prices have historically shown a somewhat predictable seasonal pattern from month to month that repeats itself annually. Because the pattern is relatively predictable, it can be useful in making production, marketing or pricing decisions. Unpredictable deviations from equilibrium complicate estimating hog and pig inventories. Shocks, such as disease outbreaks, can greatly affect production. Other shocks include natural or other disasters, economic policies, rapid structural changes, new technologies, or other disturbances that cause sudden shifts in hog inventory, whether from the event itself or from producers' responses. COVID-19 brought unparalleled slaughter disruptions in April and May 2020. **Figure 7.25** shows the monthly hog and lamb prices between 2015 and 2021.

FIGURE 7.25
Historic Hog and Lamb Prices, 2015-2021



Source: USDA Livestock, Poultry & Grain Market News Division, LM_HG204 Iowa/Minnesota Daily Direct Prior Day Hog Report Based on State of Origin (prior to January 2021) and LSD_MARS_3458 Daily Direct Prior Day Hog Report (January 2021-December 2021)

Table 7.37 illustrates the impact of agriculture as to cash receipts received by producers for the 2012 and 2017 Census of Agriculture. In Davison County, farmers generated $78.79 million in receipts for 2012. On top of cash receipts, producers received $2.60 million in government payments. In total, it places agriculture as a major player when compared to other sectors of the local economy.

TABLE 7.37
Agriculture Cash Receipts – 2012, 2017

	Crops		Livestock		Total		Government Payments	
	2012	2017	2012	2017	2012	2017	2012	2017
Beadle	$ 190,063,000	$ 167,053,000	$ 110,094,000	$ 128,216,000	$ 300,158,000	$ 295,269,000	$ 7,071,000	$ 12,672,000
Brookings	$ 162,340,000	$ 126,076,000	$ 150,193,000	$ 190,256,000	$ 312,533,000	$ 316,332,000	$ 7,038,000	$ 6,331,000
Davison	$ 50,170,000	$ 66,080,000	$ 28,618,000	$ 41,585,000	$ 78,788,000	$ 107,665,000	$ 2,594,000	$ 4,987,000
Hughes	$ 87,163,000	$ 43,540,000	$ 20,178,000	$ 26,735,000	$ 107,341,000	$ 70,275,000	$ 3,532,000	$ 6,354,000
Yankton	$ 56,866,000	$ 105,817,000	$ 60,560,000	$ 56,561,000	$ 117,426,000	$ 162,378,000	$ 4,604,000	$ 7,994,000

Source: USDA-NASS South Dakota Agriculture 2012, 2017

Davison County ranks fourth out of the five similar sized counties for total cash receipts in 2017. Two of the higher producing counties have been referenced repeatedly in discussing positive examples of growth and development in numerous areas; Brookings County ($316.33 million) and Beadle ($295.27 million). While the impact of agriculture upon the local economy is significant, there remains a resistance to large scale concentrated animal feeding operations. A counter point to the call for increased or more stringent regulation of concentrated animal feeding operations is the need to balance individual property interests such as residential with the current and future practices of agricultural production activities. This must be done to maintain and expand the current impact of agriculture upon the local economy

ECONOMY

PLANNING CONSIDERATIONS

County Planning Challenges and Opportunities

The following economic issues will be addressed by the County over the next 10 years.

- ✓ Promoting economic diversification;
- ✓ Supporting development activities that reduce the public dependence upon transfer payments and in-kind services (example: food stamps)
- ✓ Taking advantage of local training facilities;
- ✓ Maintaining a manufacturing base in an era of increasing global competition;
- ✓ Creating an economic environment that encourages entrepreneurship;
- ✓ Minimizing the cyclic impacts of agricultural production fluctuations;
- ✓ Building value-added agricultural facilities in ways that minimize land use and environmental conflicts;
- ✓ Keeping small town's viable as local service centers; and
- ✓ Presenting a positive image and attitude toward economic development.

Assumptions

1) The connections between local economic output and global market factors will increase over time.
2) The internet's influence over consumer buying habits will grow.
3) Up to date broadband capacities will be an expectation, not a luxury in conducting business.
4) Yankton County should avoid being perceived as picking economic winners or losers.

Policy Options

The Davison County Commission could consider the following options in response to the issues.

1) Maintain county interaction with Mitchell Area Development and other entities focused on business development;
2) Encourage development projects that take advantage of existing industrial and commercial areas and infrastructure;
3) Encourage the preservation of prime farmland;
4) Preserve individual property rights, while promoting and protecting the economic opportunities of existing and future crop and livestock production operations;
5) Recognize that agriculture is a primary economic activity which is subject to increasing development pressures;
6) Protect the quality of life for county residents and encourage growth in the agriculture industry by maintaining environmental regulations and promoting best management practices;
7) Target available county resources to projects that have the greatest potential for job creation and/or private investment;
8) Involve the public early in the process of evaluating economic development project impacts; and
9) Establish regulations or ordinances that minimize land use conflicts.
10) Assist in facilitating continued development of local tourism and recreational opportunities.