

AT A GLANCE

- *Armstrong County's agricultural receipts approached 26 million in 2014 (Figure 1).*
- *The 144 agricultural-related employees account for more than half of all private-sector employment (Table 2).*
- *Armstrong County ranks 39th in wheat sales and 53rd in sorghum sales among all Texas counties (Table 1).*
- *Armstrong County from 2011-2014 averaged \$23.1 million in agricultural receipts, generating county and statewide impacts of \$26.3 million and \$48.7 million, respectively (Table 1).*
- *This analysis does not include the impact of agriculturally related public sector employees or the 281 farm and ranch operators.*

The Impact of Agribusiness ARMSTRONG COUNTY 2015

Most of Armstrong County's 909-square-mile land area is used for agricultural purposes with 142,984 acres in cropland and another 291,288 acres in permanent pasture. With little irrigation (4,553 acres), the county is primarily dryland, with wheat and sorghum accounting for the largest acreages, averaging annual sales of \$5.2 million and \$4.1 million, respectively, despite the drought that occurred in 2011 and 2012. Armstrong County ranks 39th in wheat and 53rd in sorghum production statewide. Crop production makes an average annual contribution of \$13.1 million based on county agricultural receipts in the 2011-2014 time period (Table 1).

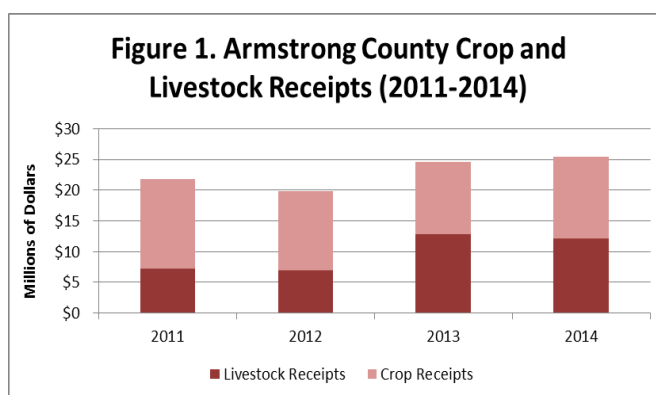


Table 1. Average Annual Agricultural Cash Receipts, Armstrong County, 2011-2014.

	Value (\$1,000,000)	State Rank	County Economic Impact* (\$1,000,000)	State Economic Impact* (\$1,000,000)
Crops:				
Corn	\$0.6	94	\$0.7	\$1.4
Wheat	\$5.2	39	\$5.8	\$11.9
Cotton	\$1.9	104	\$2.3	\$3.4
Sorghum	\$4.1	53	\$4.7	\$9.6
Ensilage	\$0.0		\$0.0	\$0.1
Hay	\$1.1	157	\$1.3	\$2.2
Other Crops	\$0.1	196	\$0.1	\$0.2
Total Crop Receipts	\$13.1	145	\$14.9	\$28.7
Livestock and Livestock Products:				
Fed Beef - Value Added	\$0.0		\$0.0	\$0.0
Cow-calf and Stockers	\$9.8	166	\$11.4	\$19.5
Hogs	\$0.0		\$0.0	\$0.0
Dairy	\$0.0		\$0.0	\$0.0
Other	\$0.0		\$0.0	\$0.0
Total L & LP	\$9.8	184	\$11.4	\$19.5
Other Ag-Related	\$0.2	221	\$0.0	\$0.5
Total Agricultural Receipts**	\$23.1	200	\$26.3	\$48.7

*Does not include impacts of forward-linkages through the processing sectors.

** Rounding of numbers may affect totals and prevent some commodities with low receipts from appearing in the table.

Livestock sales generate an average of \$9.8 million annually based on 2011-2014 cash receipts (Table 1). The county has more than twice as many acres in pasture than in cropland, and that acreage is used to support land-intensive beef cattle ranching. All of the \$9.8 million in livestock receipts are attributed to cow-calf and stocker operations.



Of course, the direct value of agricultural production is not the only benefit to the local economy. Many production expenses are paid to local suppliers. Farmers and ranchers also spend part of their wages and profits in the county - eating at local restaurants and buying groceries, clothing, etc. In turn, the employees of these businesses purchase supplies and spend wages at

local businesses. As money circulates through the economy, it multiplies the original \$23.1 million in cash receipts from farm and ranch production to a total county-level economic output contribution of \$26.3 million. A good deal of the money that is spent outside Armstrong County is still spent in Texas, so the farm-level production leads to a larger state-level output of \$48.7 million (Table 1).

Table 2. Armstrong County Ag-Related Employment		
	Number of Employees	Annual Payroll \$1,000,000
Private Sector	42	\$1.30
Farm and Ranch	102	1.00
Total	144	\$2.30

*Employment estimates do not include ag-related public sector/government employees

Agribusinesses take many forms including: manufacturing, retail trade and food service, wholesale trade, agricultural services and transportation. A total of 42 people were employed in Armstrong County agribusinesses during 2013 with an associated payroll of \$1.3 million, according to the 2013 Texas County Business Patterns publication (Table 2). In addition, the majority of county agriculture-related workers (102 people) were either employed full- or part-time on local farms and ranches earning \$1 million annually (2012 Census of Agriculture). It should be noted that the impact of agriculture on the Armstrong County economy is underestimated since the economic contributions of public sector employees working in agriculture and the 281 farm and ranch operators are not considered in this analysis.



(AgEco-FS-1: Dr. Rebekka Dudensing, Ruoxi Lu and Jonathan Ellison, College Station; Dr. Steve Amosson, Kay Ledbetter and Michelle Jones, Amarillo; and Dr. Bridget Guerrero, Canyon. Revised August 2015)