ECONOMIC IMPACT OF AGRICULTURE

Carter County

January 2021

Carter County is a rural sparsely populated county located in the very southeastern tip of the state. Over 82% of land in Carter County is classified as farm land.

Overview (2017 Data)

Population	1,238
County Size (acres)	2,137,905
Land in Farms (%)	82.7
Number of Farms	323
Median Farm Size (acres)	4,085
Average Farm Size (acres)	5,473

Source: Census of Agriculture: Table 1: County Summary

Highlights: 2017

Farm Revenue

Farm revenue (which includes the market value of products sold, government payments, and farm-related income) were nearly \$83 million while production expenses were \$56 million. Government payments were 9% of farm revenues.

Market Value of Products Sold	\$70,628,000
Government Payments	\$7,229,000
Farm-Related Income	\$4,923,000
Total Farm Production Expenses	\$56,878,000
Net Cash Farm Income	\$25,902,000

Source: Census of Agriculture: Tables 2, 3, 4, 5 and 6: 2017

Taxation

The market value of all property in Carter County was approximately \$535 million in 2019. The

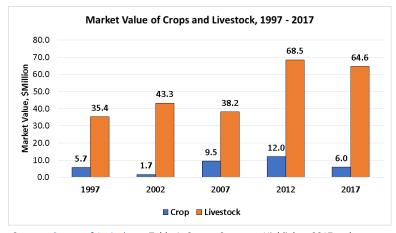
taxable value assigned by the Montana Department of Revenue was \$43 million. Agricultural Property (as defined by Montana Department of Revenue as Class 3 Property) comprised 5% of the county's taxable value.

Property Tax Summary	2019	2014
Market Value of All	\$535,266,430	\$466,505,729
Property		
Taxable Value of All	\$43,741,120	\$37,663,915
Property		
Taxable Value of	\$1,973,256	\$2,363,226
Agricultural Property		
Ag Taxable Value as %	5%	6%
of All Property		

Source: Montana Dept. of Rev. Montana Taxes by County in $\underline{2018}$ and Montana Taxes by County in $\underline{2014}$

Market Value of Crops and Livestock

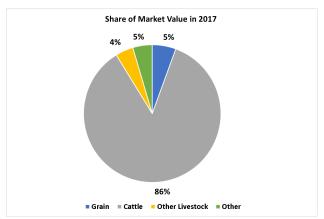
After adjusting for inflation, the market value of crops increased by 5.5%, while the market value of livestock increased by nearly 83%, from 1997 to 2017.



Sources: <u>Census of Agriculture</u>: Table 1: County Summary Highlights: 2017 and <u>St. Louis Fed Producer Price Index</u>

Crops and Livestock

Cattle (86%) and grain (6%) comprised 92% of total crop and livestock sales in 2017.



Source: Census of Agriculture: Table 2: County Summary Highlights: 2017

Farm Size by Acres

The percentage of smaller farms, less than 500 acres, increased slightly from 17% to 19%, while the percentage of larger farms, 500 acres or more, decreased slightly from 83% to 81% from 2012 to 2017.

	2017		2012	
	Number		Number	
Farm Size by Acres	of Farms	%	of Farms	%
1 to 9	8	2	18	6
10 to 49	6	2	3	1
50 to 179	19	6	16	5
180 to 499	29	9	18	6
500 to 999	29	9	30	9
1,000 or more	232	72	242	74
TOTAL	323	100	327	100

Source: Census of Agriculture: Table 2: County Summary Highlights: 2017

Farm Size by Sales

The proportion of total sales from the smallest farms with less than \$100,000 in sales decreased from 48% to 44%, while the proportion of total sales from the largest farms with sales of \$100,000 or more increased from 52% to 56% from 2012 to 2017.

	2017		2012	
Farm Size by	Number		Number	
Sales	of Farms	%	of Farms	%
Less than 2,500	47	15	50	15
2,500 to 4,999	10	3	3	1
5,000 to 9,999	16	5	2	1
10,000 to 24,999	16	5	32	10
25,000 to 49,999	23	7	33	10
50,000 to 99,999	30	9	38	12
100,000 or more	181	56	169	52
TOTAL	323	100	327	100

Source: Census of Agriculture: Table 1: County Summary Highlights: 2017

Tillage and Land Use

The percentage of farms using cover crops increased, while the percentage of farms using no till, reduced tillage or intensive tillage decreased from 2012 to 2017.

	2017		2012	
	Number		Number	
Tillage	of Farms	%	of Farms	%
No tillage	21	7	39	12
Reduced tillage	9	3	21	6
Intensive tillage	53	16	68	21
Cover crops	16	5	7	2
TOTAL FARMS	323		327	

Source: Census of Agriculture: Table 41 Land Use Practices

Producer Profile

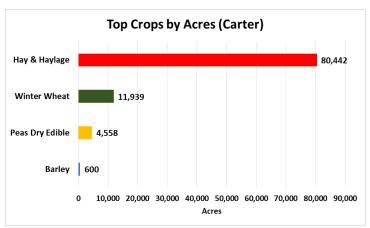
The county producer population was younger than the Montana producer population. Thirty-nine percent of county producers were under 55 years of age, while 26% were over 65 years of age. Thirty-four percent of the Montana producer population were under 55, while 36% were over 65 years of age. Sixty percent of producers in the county were males, while 60% of Montana producers were males. Farming was the primary occupation for 66% of county producers, while farming was the primary occupation for 50% of Montana producers.

	County		State	
	Number of		Number of	
Characteristics	Producers	%	Producers	%
Age				
18 – 25	12	2	570	1
25 to 34	47	7	3,285	7
35 to 44	106	16	5,179	11
45 to 54	97	14	7,309	15
55 to 64	205	30	13,838	29
65 to 74	92	14	11,469	24
75 and older	85	13	5,587	12
Sex				
Male	406	60	28,563	60
Female	267	40	18,673	40
Primary Occupation				
Yes	444	66	23,847	50
No	229	34	24,314	50
TOTAL PRODUCERS	673	100	48,161	100

Source: <u>Census of Agriculture</u>: Table 45 Selected Operation and Producer Characteristics

Top Crops by Acres

The top crops were hay and haylage, winter wheat, peas dry edible, and barley.



Source: Census of Agriculture: Table 1: County Summary Highlights: 2017

Top Livestock

The top livestock were cattle, sheep, and chickens.

Livestock	Number of Head	
Cattle	91,252	
Sheep	20,734	
Chickens-Layers	465	

Source: <u>Census of Agriculture</u>: Tables 11 (Cattle), 13 (Sheep) and 19 (Poultry)

Employment Impact

Agricultural production employed 535 workers, or 77% of the county's labor force. According to IMPLAN, economic impact model, 333 of the workers were directly employed in production agriculture. An additional 152 workers were employed in businesses supporting agricultural production, such as feed and fertilizer dealers, and another 50 workers were employed in other related businesses, such a grocery and drugs stores. For every 10 jobs on farms and ranches, 6 additional jobs are generated in the county.

Impact Type	Labor Force	Impact Multipliers
County Labor Force	696	
Direct Impact	333	
Indirect Impact	152	0.46
Induced Impact	50	0.15
Total Impact	535	0.61
Agriculture's Share (%)	77	

Source: Bureau of Labor Statistics, www.bls.gov/#cntyaa and IMPLAN Estimates

Value Added Impacts

Farms and ranches generated \$40.3 million of value-added, or 50% of the county's total gross domestic product of \$80 million in 2017. According to IMPLAN, \$27.2 million was directly contributed by farmers and ranchers. An additional \$10.2 million was generated by businesses supporting agricultural production and \$3 million was generated by other related businesses. Each dollar of value-added in agriculture by a farmer or rancher contributes an additional \$0.48 of value-added in other sectors of the county's economy.

Impact Type	Value-Added (\$1 million)	Impact Multipliers
County GDP*	80.0	
Direct Impact**	27.2	
Indirect Impact**	10.2	0.37
Induced Impact**	3.0	0.11
Total Impact**	40.3	0.48
Agriculture's Share (%)	50	

Sources: * St. Louis Federal Reserve Bank, ** IMPLAN Estimates

References

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- Dept. of Revenue "Montana Taxes by County in 2014" https://mtrevenue.gov/wp-content/uploads/2018/01/2014-Taxes-by-County.pdf
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- St. Louis Federal Reserve Bank (2017). Current dollar gross domestic product by county for Montana, retrieved from https://fred.stlouisfed.org/release/tables?rid=397&eid=1062609&od=2017-01-01#
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