

The Economic Importance of Food and Fiber

A Spotlight on Elbert County, Georgia

Prepared for
Elbert County Cooperative Extension
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by:

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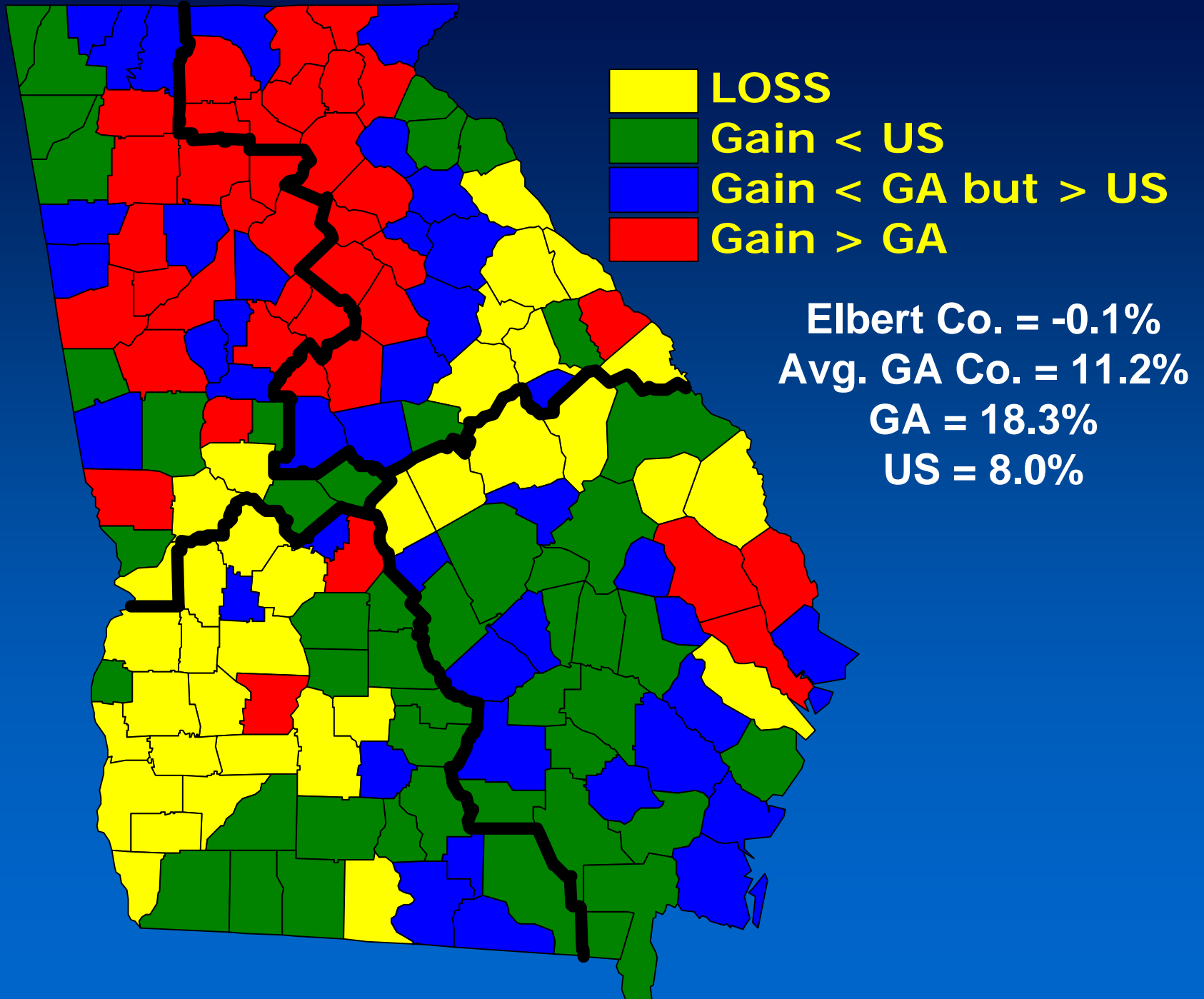
The University of Georgia

Total Population Elbert County

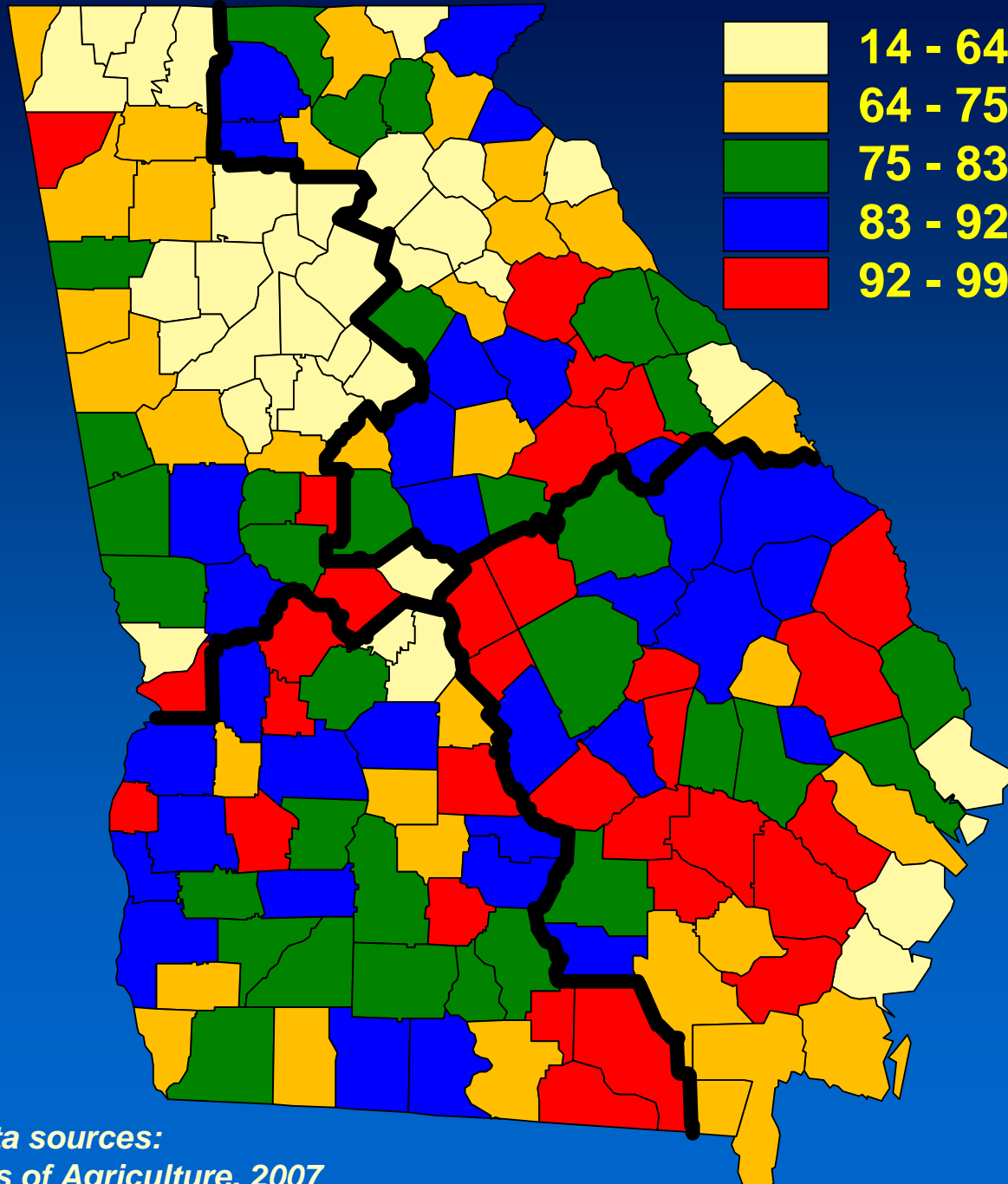


Primary data sources: U.S. Census Bureau, decennial censuses & estimate;
CAED (Center for Agribusiness & Economic Development).

Population Change: 2000-2008



% of Land in Cropland & Timberland

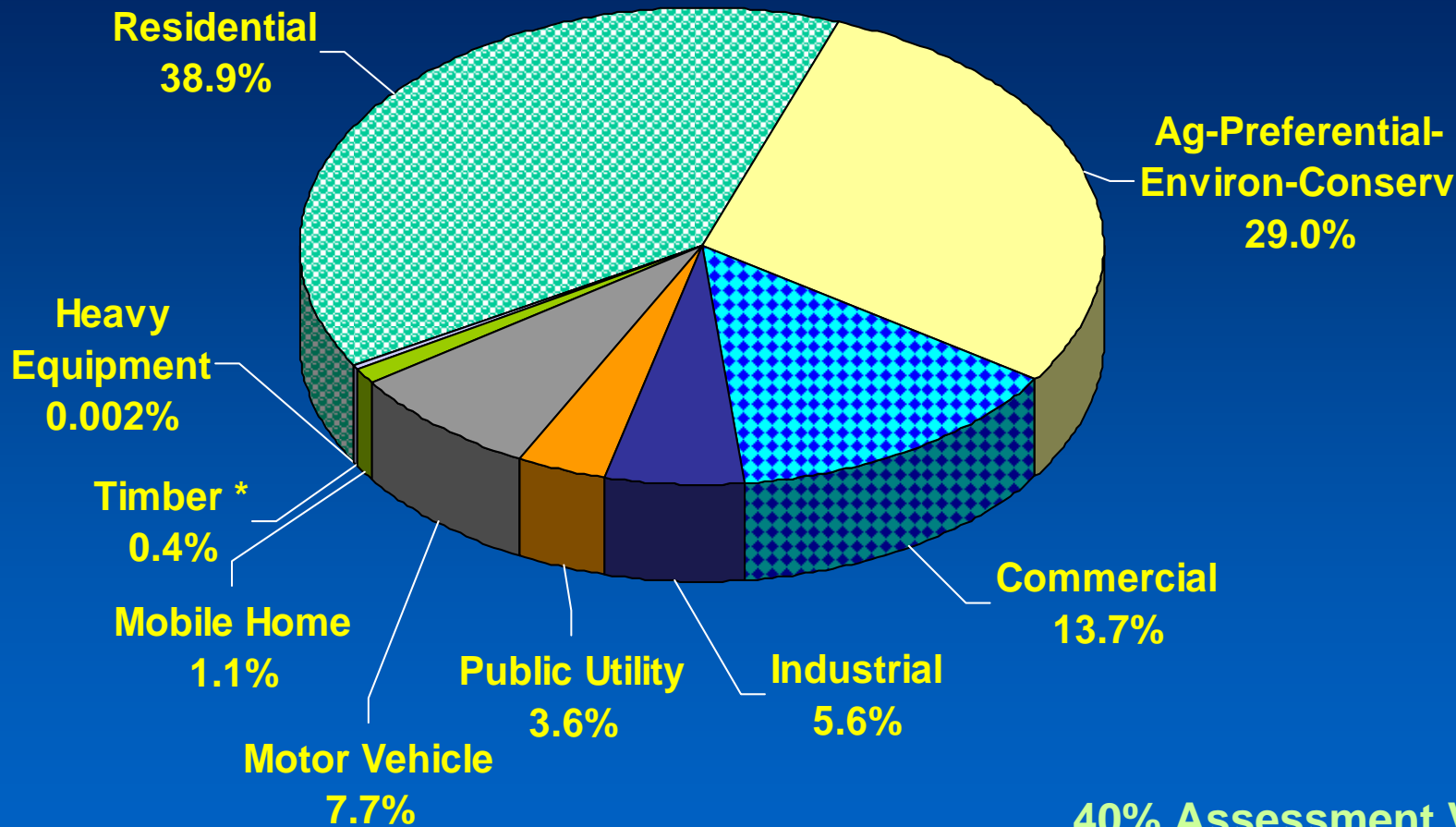


Elbert Co. = 65%
GA Avg. Co. = 76%
GA Total = 78%
GA Metro = 68%
GA Nonmetro = 83%

Primary data sources:
U.S. Census of Agriculture, 2007
USDA Forest Service, 2007

Graphic by Center for Agribusiness
& Economic Development, UGA

Components of 2008 Property Tax Gross Digest Elbert County



40% Assessment Value of Property

Gross Digest = \$639,833,568

Homestead & Property Exemptions = \$98,680,662

Net M&O Digest = \$541,152,906

Value of exempt property = \$65,472,198

Primary data source:
GA Dept. of Revenue

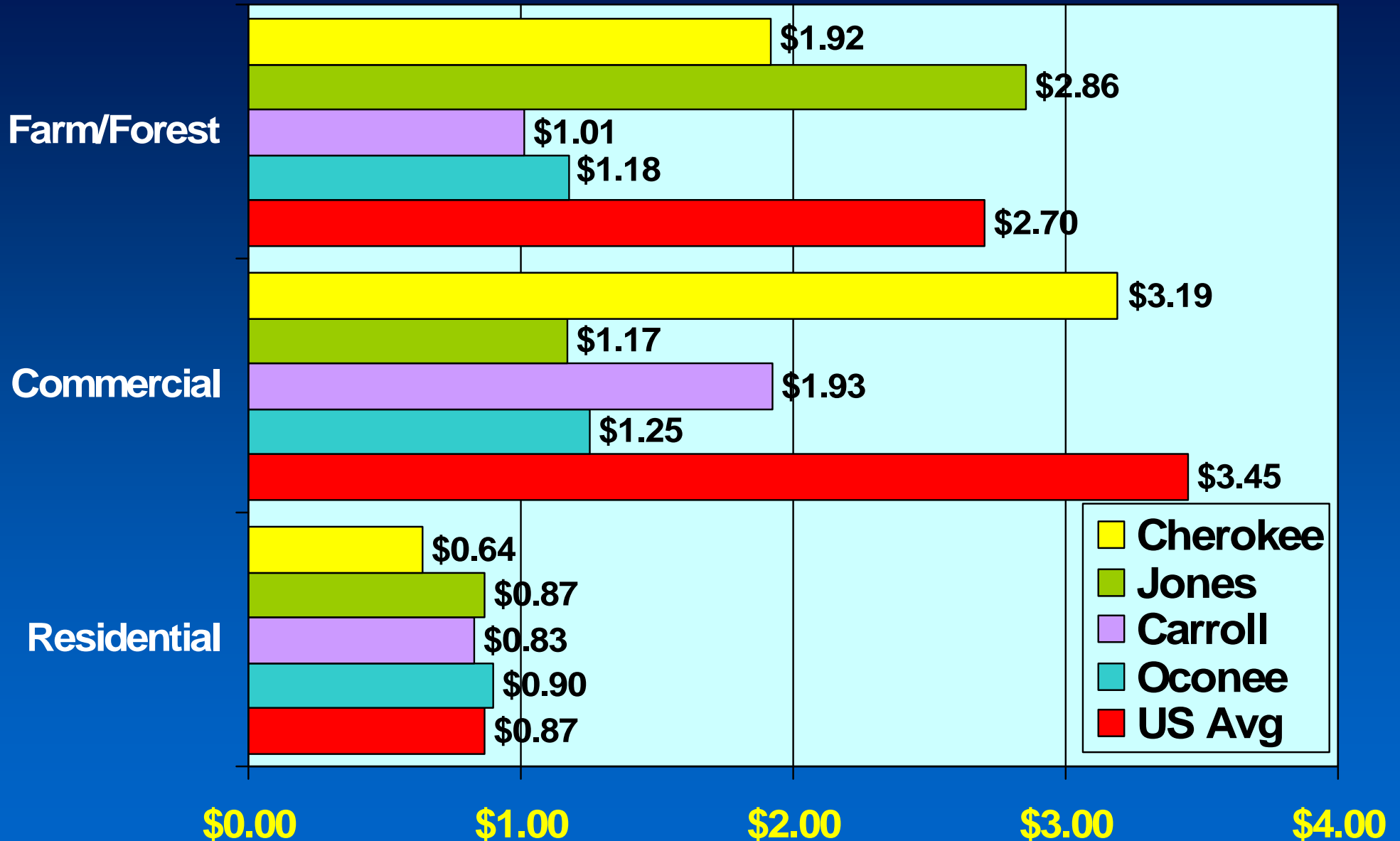
* Timber taxed at 100% based on previous year sales

County Property Tax Digest Comparisons: 2008

| County | % Residential | % Agricultural | % Commercial | % Industrial | % Utility | % Motor Veh | % Mobile Home | % Timber |
|-------------|---------------|----------------|--------------|--------------|-----------|-------------|---------------|----------|
| ELBERT | 38.9 | 29.0 | 13.7 | 5.6 | 3.6 | 7.7 | 1.1 | 0.39 |
| HART | 57.6 | 20.1 | 6.7 | 6.3 | 2.8 | 5.7 | 0.8 | 0.04 |
| LINCOLN | 61.0 | 23.2 | 4.8 | 0.4 | 2.2 | 6.3 | 1.2 | 0.87 |
| MADISON | 44.0 | 34.7 | 4.6 | 1.6 | 5.5 | 8.1 | 1.4 | 0.12 |
| WILKES | 25.3 | 48.6 | 8.9 | 3.8 | 2.9 | 6.3 | 1.3 | 2.74 |
| OGLETHORPE | 39.3 | 44.9 | 4.2 | 0.6 | 2.3 | 6.9 | 0.8 | 0.88 |
| Avg. GA Co. | 42.3 | 24.6 | 12.6 | 6.9 | 4.8 | 7.0 | 1.0 | 0.72 |

Revenue : Expenditure Ratios

\$ of Revenue for Each \$ of Expenditure

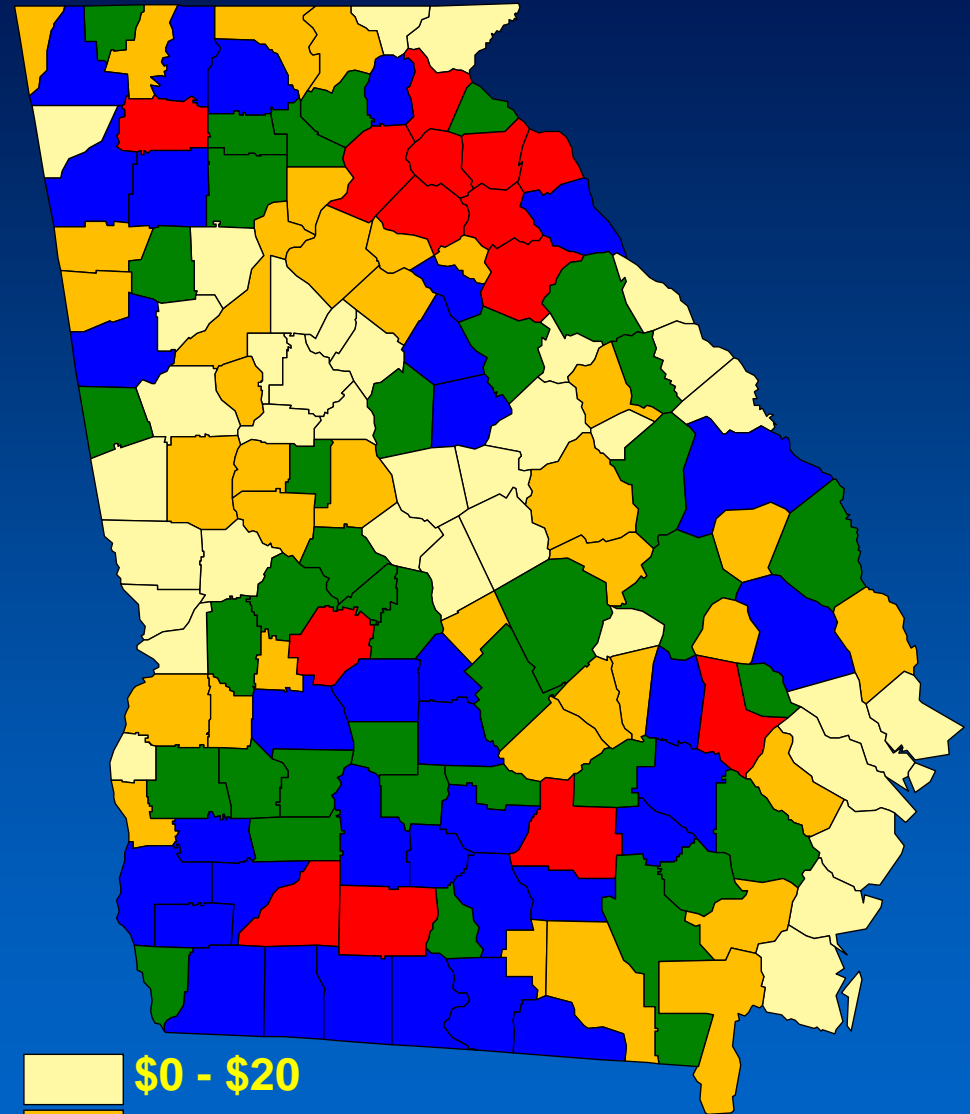
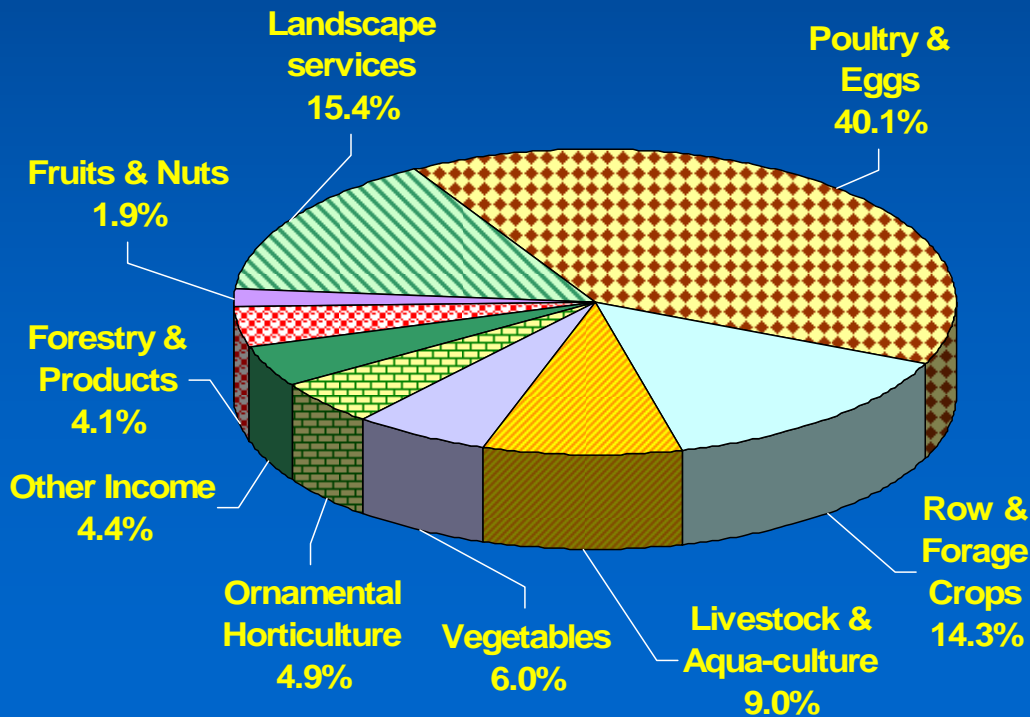


Agriculture in Georgia

- Georgia's 2008 Farm Gate Value was \$11.9 billion. Adding the value of landscape services increased the total agricultural production value to \$14 billion.
- Total food and fiber production and directly related businesses account for a \$63 billion *output impact* on Georgia's \$771 billion economy.

Production Agriculture: 2008

Georgia Total
Agricultural
Production Value
\$11.9 Billion



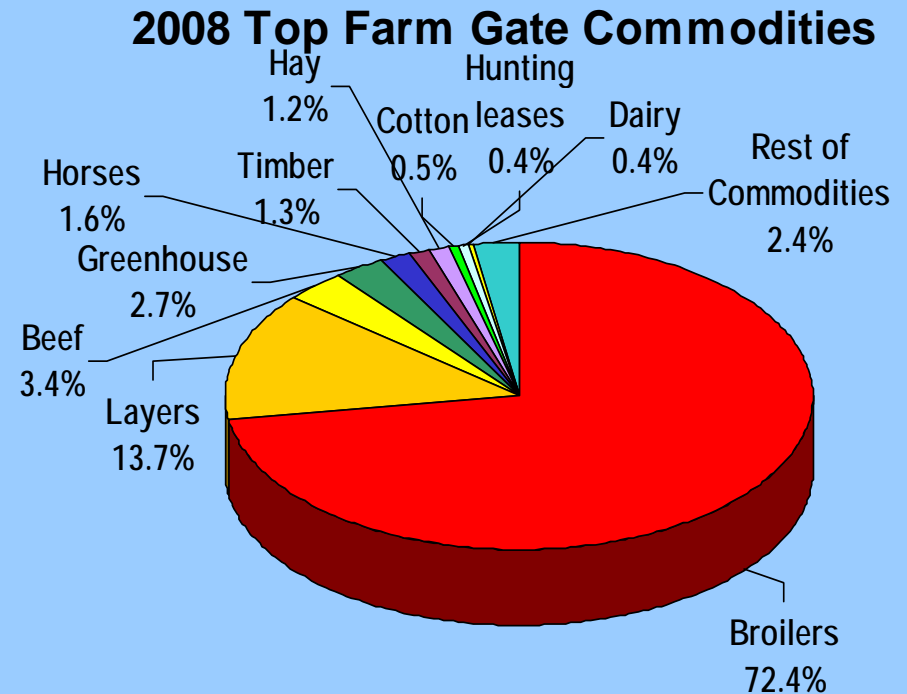
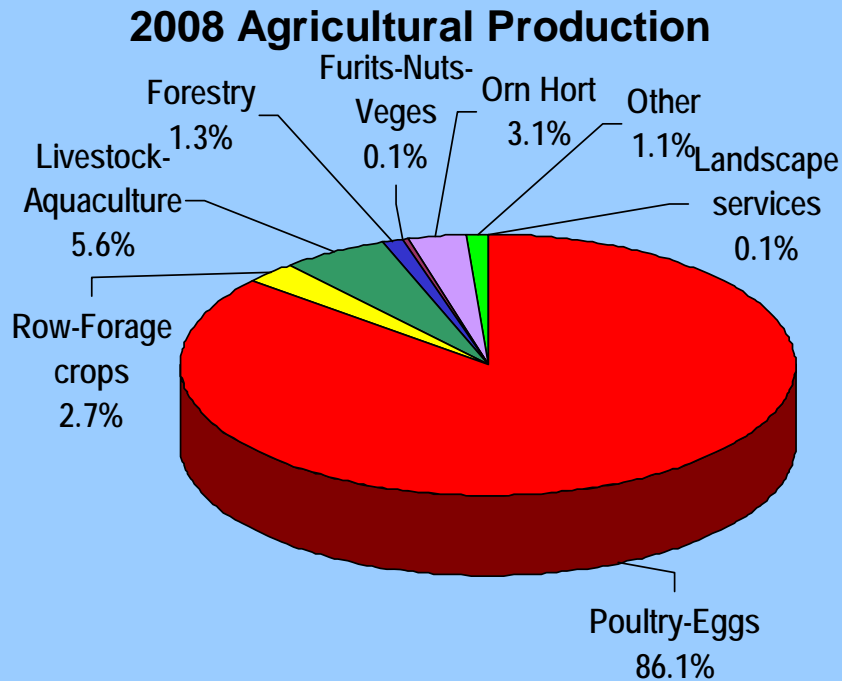
2008 Farm Gate
Value by County
in Millions of Dollars

What We Know about Elbert County

- 2008 Farm Gate Value in Elbert Co. was \$113.1 million. Adding \$76 thousand of landscape services increased the total agricultural production value to \$113.2 million.
- The highest value commodity group was poultry & eggs, representing 86% of the total agricultural production value.

Elbert County

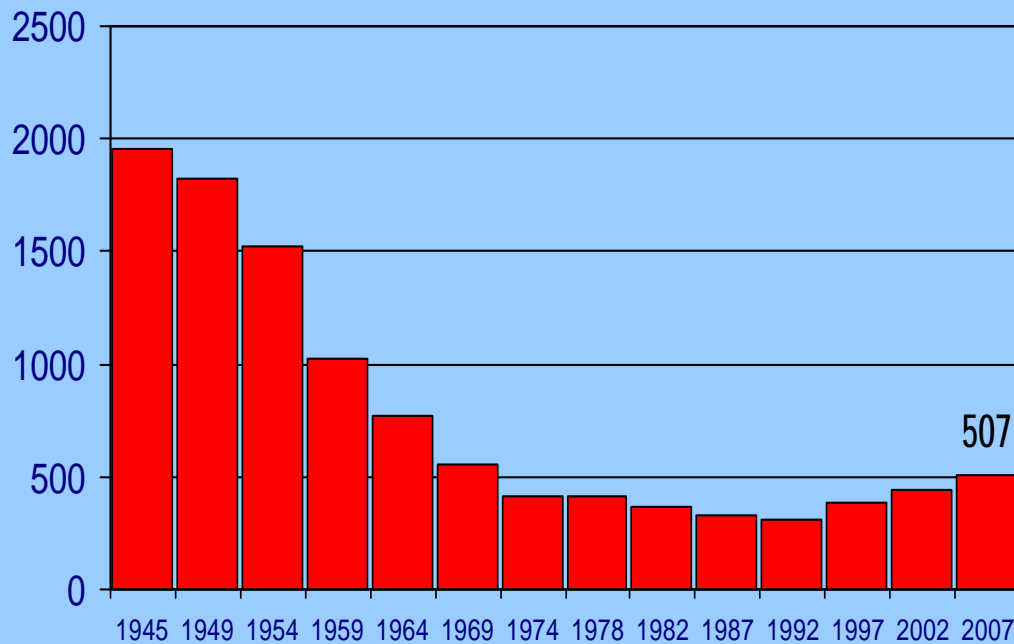
2008 Agricultural Production Value



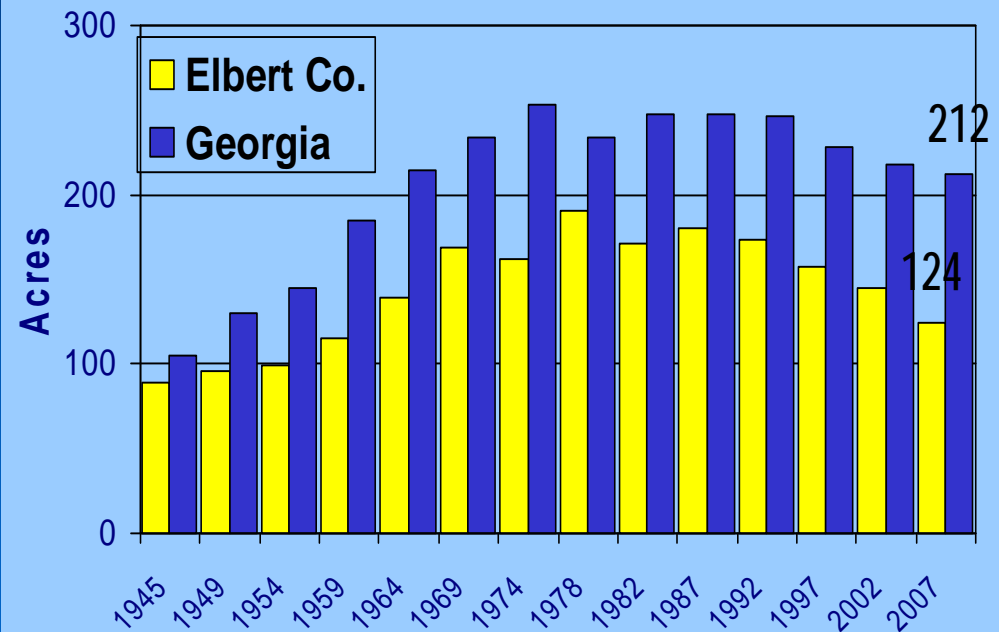
Total AG Value = \$113.2 million

Trends in Elbert County: Number of Farms & Average Farm Size

Number of Farms, Elbert County

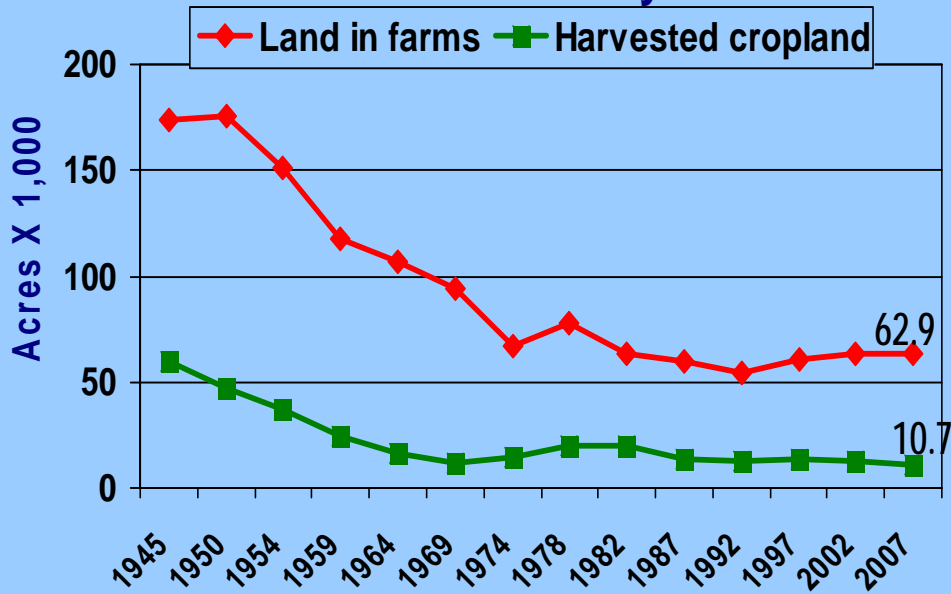


Average Farm Size

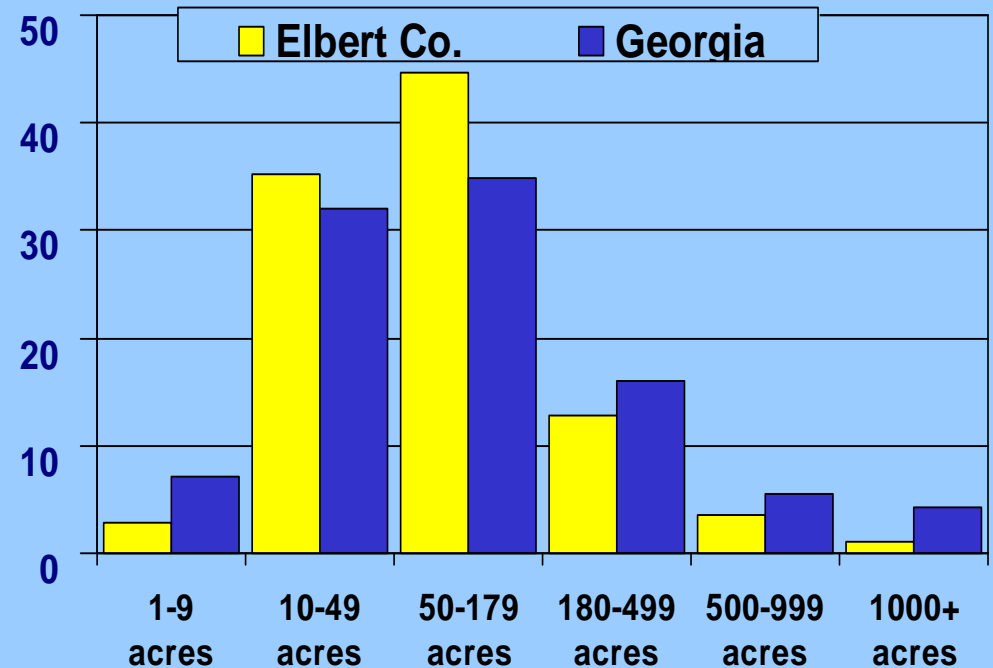


Trends in Elbert County: Land in Farms, Harvested Cropland & Farms by Size

Land in Farms & Harvested Cropland
Elbert County



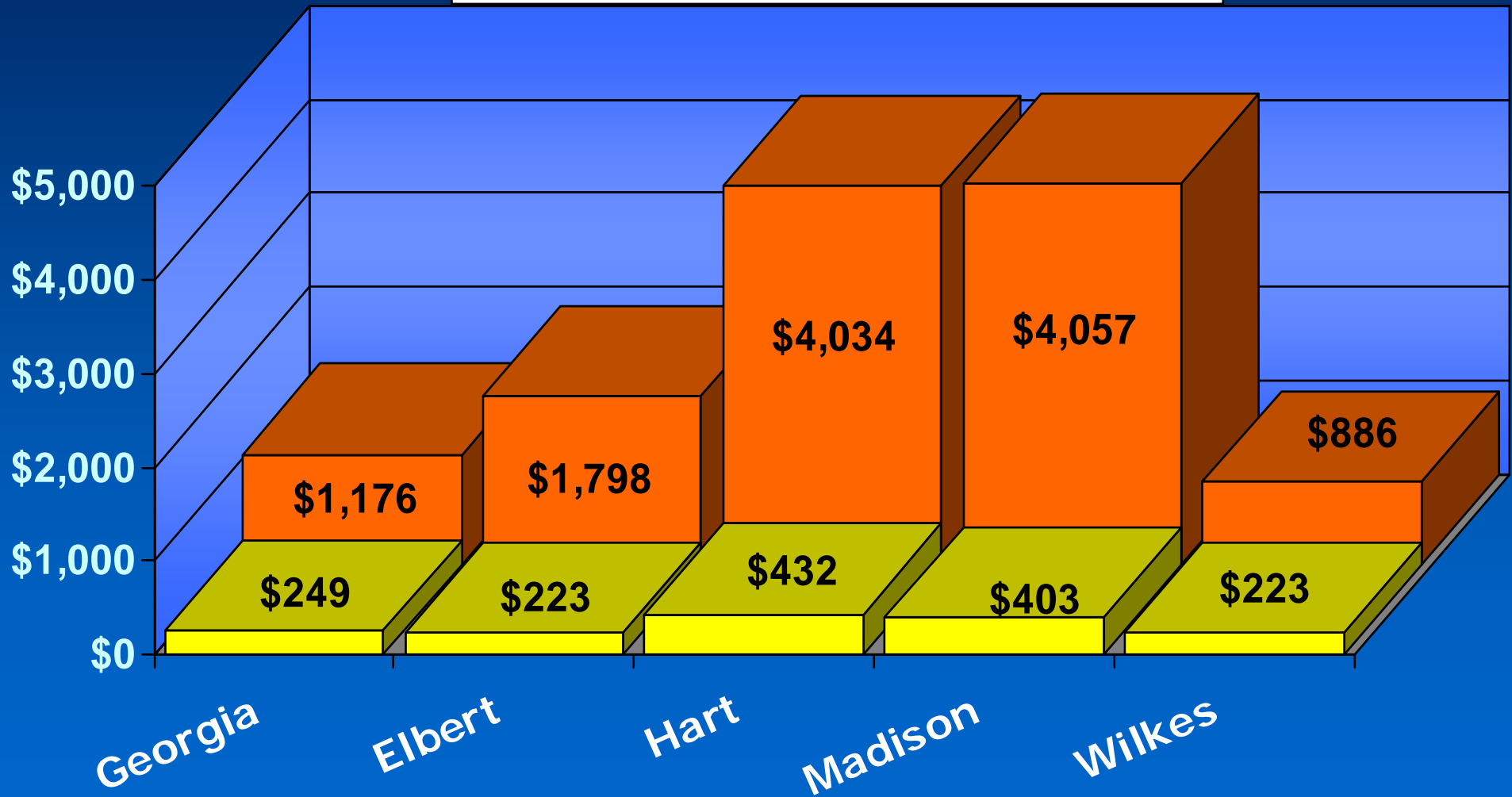
Percent of Farms by Size, 2007



How Do We Compare ?

Georgia, Elbert and Surrounding Counties Farm Gate Value

■ \$ Per Farm (thousands) ■ \$ Per Acre



What We Did

County Economy Modeled

- The Center for Agribusiness and Economic Development performed an analysis of the county's economy, focusing on the role of food and fiber.
- How much of the county's total current economic output comes from food and fiber production and directly related processing? (A Snapshot of the Economy)
- What is the total (direct and indirect) *Impact* of food and fiber production and directly related industries?

Elbert County Economy

Agriculture *OUTPUT*

| | Output \$ | Percent |
|----------------------|-------------|---------|
| Agriculture | 113,184,147 | 10.24% |
| Mining | 57,922,246 | 5.24% |
| Construction | 44,455,846 | 4.02% |
| Manufacturing | 435,823,149 | 39.43% |
| Trans-Utilities-Info | 40,085,109 | 3.63% |
| Trade | 115,644,548 | 10.46% |
| Finance-Ins-RE | 93,698,859 | 8.48% |
| Services | 106,006,312 | 9.59% |
| Government | 98,494,204 | 8.91% |

Total County Economic Output = \$1.1 billion

Elbert County Economy

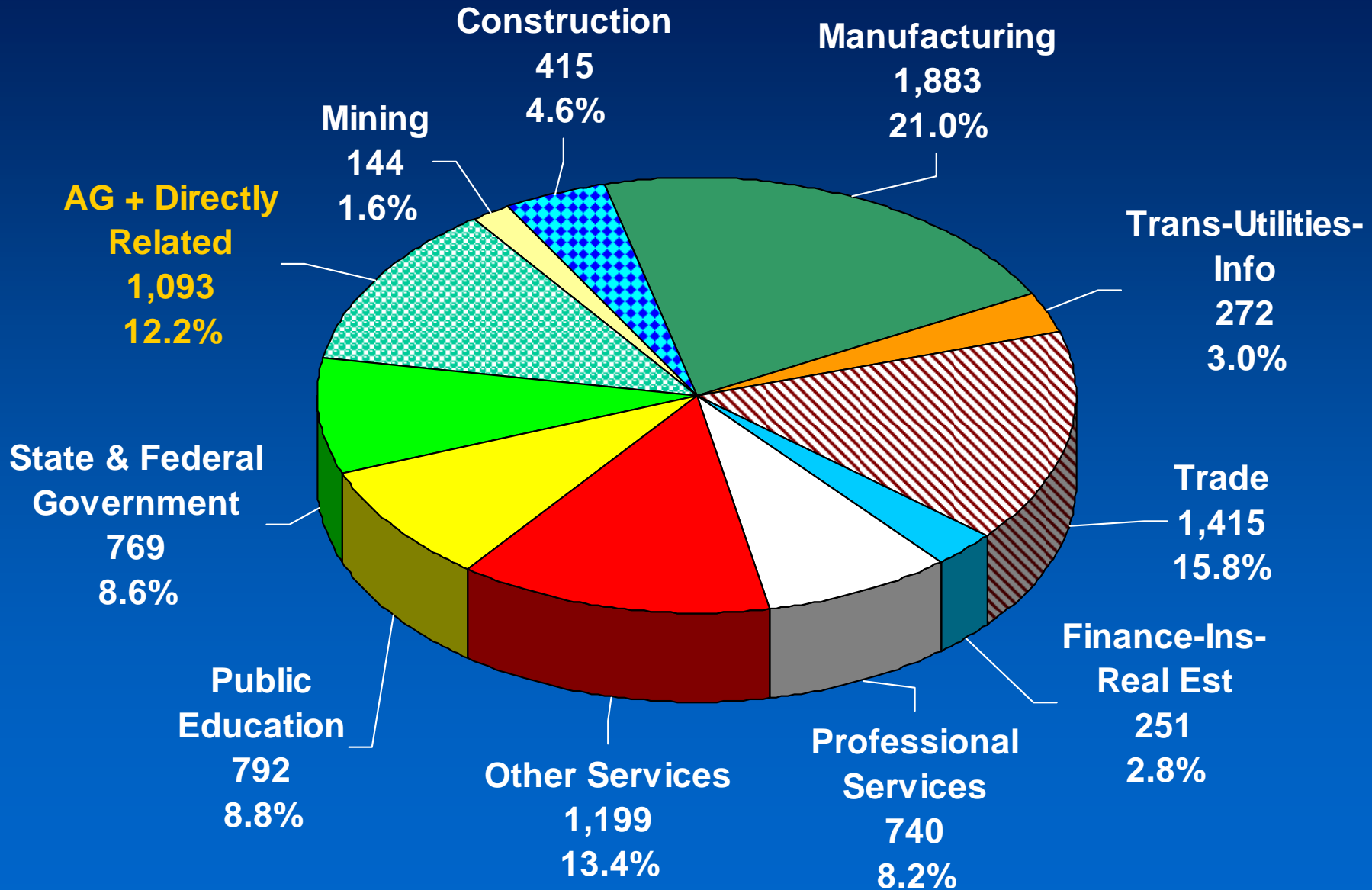
Agriculture + Directly Related Businesses *OUTPUT*

| | Output \$ | Percent |
|----------------------|-------------|---------|
| Agriculture + Direct | 211,668,435 | 19.15% |
| Mining | 57,922,246 | 5.24% |
| Construction | 44,455,846 | 4.02% |
| Manufacturing | 337,338,861 | 30.52% |
| Trans-Utilities-Info | 40,085,109 | 3.63% |
| Trade | 115,644,548 | 10.46% |
| Finance-Ins-Real Est | 93,698,859 | 8.48% |
| Services | 106,006,312 | 9.59% |
| Government | 98,494,204 | 8.91% |

Total County Economic Output = \$1.1 billion

Elbert County Employment

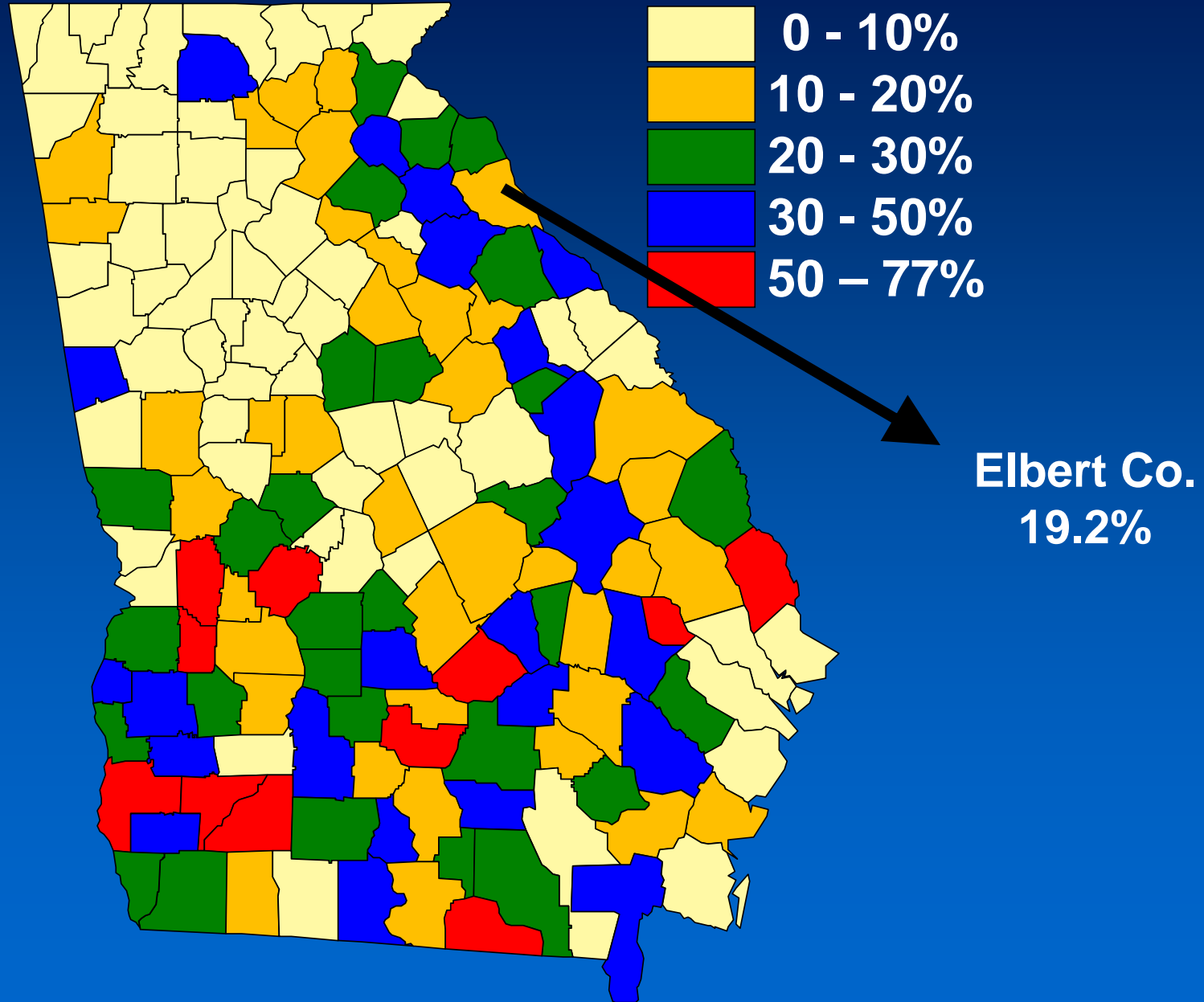
Total Jobs = 8,971



An Economic Snapshot of Elbert County

- How much of Elbert County's total economic output comes from food and fiber production?
- AG value alone of \$113.2 million consisting of Farm Gate Value and landscape services comprises 10.2% of the county's economy.
- AG plus directly related businesses (ex. Poultry processing, sawmills, etc.) comprise 19.2% of the county's economy.

Food and Fiber Production and Directly Related Manufacturing as % of Total Output



What is the Impact?

- What is the total (direct and indirect) *impact* of food and fiber production and directly related industries?
- This scenario illustrates how other industries are affected by the presence of food and fiber in the county. The indirect impacts measure output created due to food and fiber production and processing in the county.

What Impact Means: A Brief Explanation

- The *impact* numbers capture the ripple effects that food and fiber create in the county's economy. Many other sectors rely in part on the existence of food and fiber for sales.



Elbert County

Agriculture *IMPACT*

| | Direct \$ | Indirect \$ |
|----------------------|-------------|-------------|
| Agriculture | 113,184,147 | 0 |
| Mining | 0 | 738 |
| Construction | 0 | 200,342 |
| Manufacturing | 0 | 63,003 |
| Trans-Utilities-Info | 0 | 1,568,650 |
| Trade | 0 | 5,487,155 |
| Finance-Ins-Real Est | 0 | 2,875,125 |
| Services | 0 | 2,154,348 |
| Government | 0 | 1,307,873 |
| Total | 113,184,147 | 13,657,234 |

Total Impact of Production AG = \$126.8 million
11.5% of total economy

Elbert County

Production Agriculture + Directly Related Businesses *IMPACT*

| | Direct \$ | Indirect \$ |
|----------------------|-------------|-------------|
| Agriculture + Direct | 211,668,435 | 0 |
| Mining | 0 | 901 |
| Construction | 0 | 364,821 |
| Manufacturing | 0 | 120,930 |
| Trans-Utilities-Info | 0 | 3,588,089 |
| Trade | 0 | 10,502,204 |
| Finance-Ins-Real Est | 0 | 6,308,267 |
| Services | 0 | 5,999,329 |
| Government | 0 | 2,759,606 |
| Total | 211,668,435 | 29,644,147 |

Total Impact of AG + Directly Related = \$241.3 million
21.8% of total economy

Elbert County

Production Agriculture + Directly Related Industries Employment *IMPACT*

| | Direct | Indirect |
|----------------------|--------|----------|
| Agriculture + Direct | 1,093 | 0 |
| Mining | 0 | 0 |
| Construction | 0 | 5 |
| Manufacturing | 0 | 1 |
| Trans-Utilities-Info | 0 | 27 |
| Trade | 0 | 112 |
| Finance-Ins-Real Est | 0 | 17 |
| Services | 0 | 106 |
| Government | 0 | 10 |

Total Impact of AG + Directly Related Employment = 1,372 Jobs
15.3% of total employment

What These Numbers Mean: A Brief Explanation

- *Direct* impact is \$211.7 million. This includes food and fiber production, processing and directly related manufacturing.
- *Indirect* impact from the Trade sector is \$10.5 million. This captures the effects of farmers (direct source) buying supplies (seed, fertilizer, work boots) from local stores. These stores must increase their output to meet farmer demand.

What These Numbers Mean:

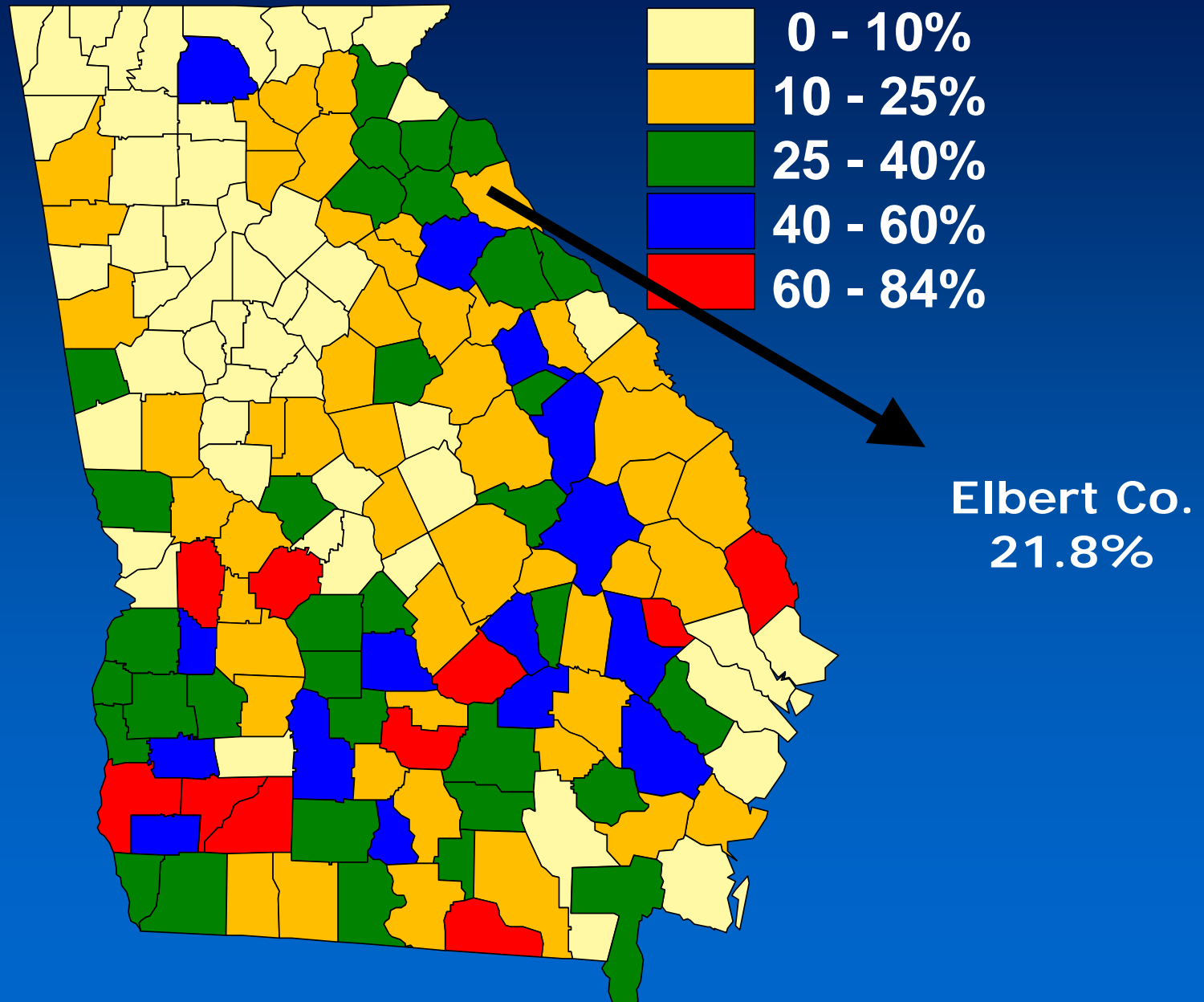
A Brief Explanation (continued)

- As local stores increase their output, they may demand more stock from local wholesalers (also in the Trade sector). Local wholesalers demand more from local manufacturers, thus increasing activity in the Manufacturing sector.
- Local stores also hire employees to assist farmers. They take home wages and buy groceries at the local store which increases demand there.

Elbert County Food and Fiber Impact Conclusions

- The total *impact* of food and fiber production, processing and direct manufacturing is \$241.3 million.
- The total county *output* is \$1.1 billion.
- Thus, food and fiber (directly and indirectly) account for 21.8% of the total county output.

Food and Fiber Production and Directly Related Manufacturing *IMPACT* as % of Total Output



Contact Information

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Center for Agribusiness & Economic Development

*“Adding Value to Georgia's Agricultural Economy
Through Research and Extension”*

To learn more about your county, go to:

<http://www.caed.uga.edu/>

...click on “Georgia Statistics System”

Special County Area Report

#10-04A

January, 2010

