Center for Rural Entrepreneurship

energizing entrepreneurial communities

WEALTH IN THE AMARILLO REGION OF TEXAS

Sponsored by: Amarillo Area Foundation

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We owe special thanks to the members of the Technical Advisory Committee who have helped us gain a deeper understanding of the region, covering 26 counties, and to produce more meaningful research. Members of this Committee include:

- David Cleavinger, Past President, National Association of Wheat Growers
- Miguel Flores, Demographer, Office of the State Demographer
- Wes Reeves, Media Relations, Xcel Energy
- James Wester, Lawyer, Underwood Law Firm

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Findings

The Great Recession of 2007-2009 has taken a heavy toll on all Americans. These are difficult times with too many unemployed people, foreclosed homes, depleted resources and harmful pessimism. However, in crisis comes opportunity. In Panhandle Texas, Amarillo Area Foundation (AAF) has responded to this crisis by focusing on the potential of community philanthropy to provide resources that can help strengthen its economy. This study is part of a regional effort called the 'Panhandle Wealth Building Initiative' (Initiative) and was developed to strengthen individual and community wealth and vitality across the 26 counties in the region. The findings of this research will further help AAF in their planning and implementation of the Initiative.

AAF commissioned the Center for Rural Entrepreneurship to estimate household net worth (assets-debt) in 2010 and transfer of wealth – a process whereby one generation transfers its wealth to the next – opportunity of the region and its counties over the next 50 years (see our detailed methodology). Based on this analysis, the Texas Panhandle counties are likely to face significant transfer of wealth (TOW) opportunity beginning as early as 2020.

- Estimated 2010 Net Worth of all households in the Texas Panhandle is $25.26 billion.
- Over the 10 years (2011-2020), an estimated $7.13 billion will transfer between generations in the region households – the **Transfer of Wealth (TOW) opportunity**. Over the next 50 years (2011-2060), the TOW opportunity is estimated to be almost $68.60 billion.
- If just 5% of the 10-year TOW opportunity were to be captured by local non-profit organizations such as community foundations for the betterment of communities, those organizations would realize almost $356.47 million. This same 5% capture over 50 years is an estimated $3.43 billion.
- Using a conservative 5% annual payout rate on the endowments this TOW capture might build, approximately $17.82 million would be generated over 10 years to support community economic development and other charitable investments – the **TOW capture target**. Over 50 years, approximately $171.50 million would be generated.

Table 1 summarizes the *total* and *per household* current net worth and 10-year Transfer of Wealth scenario generated by the model. We also have included information on 50-year Transfer of Wealth scenario on Table 2.

Potter and Randall counties contain most of the net worth (61.5%) and 10- and 50-year transfer of wealth opportunity (58.3% and 65.4%, respectively) in the region. However, looking at this data at a *per household* basis reveals that the households of Armstrong, Carson, Hartley and Roberts are the wealthiest in the region. We will go over the reasons for this in the following sections of the report. Moreover, *per household* transfer of wealth opportunity is the highest amongst the households of Armstrong, Briscoe, Hartley, Roberts, and Sherman counties. There are a couple of reasons for this demographic structure and expected future population loss.

As part of this study, we have also estimated number of estates that will have giveback opportunity between 2011 and 2060. Figure 1, at the end of this report, compares a number of estates within the Amarillo region, Texas and the U.S. We are presenting this data set by 5 year increments in order to eliminate year to year fluctuations. Almost 8% of the estates will occur during the 2011-2015 period while close to 13% of the estates will occur in the 2056-2060 timeframe. Expected future population growth coupled with an aging population is an explanation for this trend line. Amarillo region's trend line is similar to the U.S. one; although there are fewer estates available in Amarillo region in the earlier periods compared to the later ones.

Texas, on the other hand, paints a different picture. There are fewer opportunities for generating giveback at the beginning of this 50 year span and more at the end when compared to both places. Since Texas is younger (when compared to Amarillo and the U.S.), it has fewer opportunities at the earlier periods. Furthermore, it is expected to grow faster (compared to Amarillo and the U.S.) making its trend line look steeper. These are the reasons Texas' trend line is different. We have produced figures showing the availability of estates with a giveback opportunity between 2011 and 2060 for each of the counties in the region. These figures are available at the online resource we have created as part of this project. The following is a link to this resource, http://goo.gl/kg85s.

In the following sections of this report, we define the region and its location; we examine the economic performance of the region and analyze the characteristics of wealth; and, finally, we talk about some of the factors to consider in the future.

Location

Location matters in an area's wealth holding levels as well as its wealth accumulation rates. According to a recent report published by the Federal Reserve in 2010, households living in metropolitan areas had more than twice the wealth holding of those living in non-metro areas. However, these two areas weathered the recent recession differently. Between 2007 and 2010, while metro areas lost 15.2% of their wealth holding, non-metro areas lost only 7% of their wealth holding. Location does make a difference.

The United States Office of Management and Budget (OMB) defines a metropolitan area as "a core area containing a large population nucleus, together with adjacent communities having a high degree of economic and social integration with that core." The counties Armstrong, Carson, Potter, and Randall make up the Amarillo metro area. Considering OMB's definition of metropolitan areas these counties have strong social and economic ties, such as wholesaling, commodity distribution and weekend recreation activities as well as daily interactions commuting to work.

However, our conversations with local experts would indicate that the non-metro counties of the Panhandle clearly have connections to the metro area defined by the OMB. Map 1 shows the Amarillo Area Foundation's service area (Amarillo region). Counties shaded in dark green represent metropolitan areas defined by the OMB, and counties shaded in white represent non-metro areas.

The region's location relative to other metro areas is illustrated by Map 2. The Amarillo metropolitan area is clearly distant from other metro areas in Texas (excluding Lubbock-Levelland) and metro areas in the greater United States region such as Oklahoma City-Shawnee, Tulsa-Bartlesville, Wichita-Winfield, Denver-Aurora-Boulder to name a few. This is a challenge for the Amarillo region because not having any adjacent or close by metropolitan areas reduces access to other potential markets for goods and services- meaning that the region must rely more on its economy than other metropolitan areas. On the other hand, an advantage of being further away from these metropolitan

areas is the lack of competition for labor with other metropolitan areas. Having these metro areas at a distance forces the labor market to stay within the region.

Economic Performance

In order to measure the economic well-being of Amarillo region, we rely on three key indicators:

- **Population.** Total number of people by place of residence.
- **Employment.** Full- and part-time workers, wage and salary jobs, and proprietors reported by place of work.
- **Personal income.** Includes labor earning (wage and salary income and proprietors' income) and non-labor income (dividends, interest and rent and transfer of payments) reported by place of residence.

Population, employment and personal income levels grow at a steady rate where economies are prosperous and healthy. On the other hand, fluctuation, no growth or even decline is experienced in places with struggling economies. Both standard of living and quality of life can be affected due to growth but not always for the better. Growth can increase the economic opportunities, amount of available jobs and average income available in the community which obviously will benefit that community. Sometimes growth stresses a local area's economy – by enticing people to move to the region – thus, pushing housing prices higher and higher.

Although the 26 counties in the Amarillo region added to its population, employment and personal income, it did not perform as strongly as the U.S. did between 1970 and 2000 which has implications for the region's historical wealth creation rates. However, observing the trend lines between 2000 and 2010 a different picture emerges. Even though the region's population growth stayed behind the nations, the region out-performed the nation in both employment and personal income growth rates. The recession did not affect the region as strongly as it did the national economy. Table 3 compares the economic performance of the region, between 1970 and 2010, to the state and the nation. As a reminder, all this information is available at the county level at the end of this report.

Components of Population Change. There are three reasons for a population to change: births, deaths and net migration (in-migration minus out-migration). Observing trends in each of these components would help us understand the causes of population growth or decline well. For example, people move to a place for jobs and/or quality of life, while the lack of jobs, universities or medical facilities are some of the reasons why people move out of a place.

Between 2000 and 2011, the region had experienced an increase in its population. One reason for this is that the region experienced a positive natural change in its population, meaning that births in the region outweighed the deaths. Detracting from this is that while net migration (net migration plus international migration) was positive, the domestic migration component was negative. Overall, the region's population grew because natural change was larger than migration.

Table 4 displays two sets of information on the components of population growth. Births per death value measures whether or not births were greater than deaths. A value of '1' would indicate that births were equal to deaths during the time frame. On the other hand, values lower than '1' would indicate that the place had experienced more deaths than births. Finally, values greater than '1' would indicate that the place had experienced more births than deaths. With the exception of Donley, Hall and Wheeler counties, the region had experienced more births than deaths.

The other column we included on this table illustrates natural change and net migration showing where population growth (or decline) comes from. In the Amarillo region, 100% of the population growth is due to natural change, or larger births than deaths. In Roberts county, 100% of the decline in population was due to the migration. Finally, 58% of the population loss can be explained by natural change and the other 42% of it can be explained by net migration in Donley County. We have included reports titled, 'A Profile of Socioeconomic Measures' for the region and its counties as well as for the State and Nation. These reports include information on the components of population growth (page 2) and can be accessed through our online resources page at the following address, http://goo.gl/kg85s.

According to the latest population projections available from the Office of State Demographer, the region is expected to add around 102,800 people between 2010 and 2040. Therefore, it is expected to grow at a healthy rate. Figure 2, illustrates estimated and projected population growth rates of the region. The brown bars represent historical population growth rates; green bars are from the

Demographer's Office, and the orange extends demographer's growth rates to the future. Although, the growth rate is expected to decrease, the region will still add to its population. Our conservative estimates suggest that the region will have 605,800 people by 2060.

Income by Industry. Industries are described and classified by their primary activity, i.e. farm, manufacturing, retail trade, health care, government and etc. Places with a diverse set of industries tend to do better during economic recessions. It is also equally important to understand income structure of these industries as it shows the financial well-being of those employed in them.

In 2010, labor earning related to government grew the fastest (3.7% per year) in the region; however, labor earning for services made up the largest share (50.9%) of total earnings in the Amarillo region. Overall, labor earnings in government, manufacturing, health care, farm and retail trade made up 51.1% of the total labor earnings in the region, in 2010. Future trend lines in labor earnings and shifts are important to track as the wealth creation rates would change as the composition of the labor earnings changes. Depending on their direction these changes might place the region in a more competitive position.

Most of the labor earning in the region is concentrated in the government sector, similar to the State and Nation. However, we observe differences amongst the counties. For example, although 9 of the counties have most of their employment in the government sector, 11 counties have them in farming, 3 in mining and manufacturing. Table 5 and Map 3, at the end of this report, display them for each of the counties.

Components of personal income. Labor income is the largest source of personal income in the U.S followed by non-labor income: transfer payments, dividends, interest and rent income. In 1970, income from dividends, interest and rent was larger compared to transfer payments. However, since 1970, transfer payments have experienced the largest growth amongst income categories. Transfer payments are income payments made by the U.S. to individuals through programs such as Social Security, Welfare and Veterans Benefits. One of the reasons this payment type has increased so remarkably is due to an aging population as retirement and disability insurance benefit payments are the largest type of payment. Additionally, transfer payments grew faster than other forms of non-labor income due to an increase in income maintenance benefits caused by the latest recession.

Understanding the nature of a community's growth in non-labor income is important as this produces certain implications for a community. Places with a high quality of life, good health care and affordable housing will attract a larger share of retirees from inside and outside the region. These retirees are currently receiving social security benefit transfer payments and are highly concentrated in counties in the southeast corner of the Amarillo region: Armstrong, Briscoe, Childress, Collingsworth, Donley, Hall and Wheeler. Non-labor income is important for different reasons as well. It can help a struggling community by stabilizing it through a downturn such as declining industries and labor markets.

Table 6 displays components of personal income for labor and non-labor income in 2010. We see differences across counties. For example, most of the personal income in Hartley County comes from labor or active income. On the other hand, most of the income in Hall County is from non-labor or passive income. 'A profile of socioeconomic measures' reports available at the online resources includes more information on these indicators.

Characteristics of Wealth Holding

We rely on national research (as sub-national data on household wealth is unavailable) to estimate the wealth holdings of households by analyzing key characteristics associated with wealth.

These are:

- Age structure
- Business ownership
- Occupation types
- Housing
- Human capital
- Wealthy households

Age structure. Wealth accumulation follows a 'life-cycle' pattern, meaning, as people age, they tend to accumulate wealth. However, the rate of wealth accumulation is not the same across the nation for the age cohorts. In our model, we account for these differences.

Table 7 displays median age as well as the age structure of the region and its counties compared to the state and nation. Median age divides the population into two equal groups with half the population older than the median and half younger. Counties in the region can be older relative to the region or younger relative to the region, and we expect to see different wealth holding patterns amongst these counties considering age is distributed differently across the region. The counties of Deaf Smith, Moore, Oldham and Parmer have higher shares of their population in younger cohorts. Mobility of this cohort may impact the future of the region as they leave for college or other economic opportunities outside the region.

The working age cohort of 21 to 64 is important since it supports the younger and retired population and share in this cohort is distributed differently across the region. For example, the share of population between 21 and 64 years is above the regional average in Childress, Dallam, Hartley, Potter and Randall counties. Those counties that are younger might be interested in better economic opportunities to start their careers whereas counties in the middle of the cohort might be interested in quality of life and raising a family and those counties in the oldest cohort might be more interested in health care as they get ready to retire. As households in this category start getting close to retirement, their mobility, spending patterns and consumer demand will change which, in turn, might affect the community's economy for the better or worse. In other words, the needs and interests of these groups will vary depending on where they fall within that cohort range.

Those that are 65 and older have a higher share (20% and above) of the population in Armstrong, Briscoe, Donley and Hall counties. Wealth holding and accumulation characteristics are different for the households of this category as they stop generating income and start spending down from their accumulated wealth. Health care sector within a residency and the future of health care costs will have implications for population 65 years and older. These same counties which have high portions of their population in the 65 and above cohort are also geographically adjacent and have highest portions of transfer payments in the region. Furthermore, employment in these areas is dominated by the Industry sectors of Farm and Government.

The most important point to take away is that the needs, values, attitudes and interests of people across age cohorts will differ, so it is important to investigate these further in these communities so that the needs of the residents match the offering of the communities.

Business ownership. The importance of small businesses and entrepreneurs in our economy has been well documented. Small businesses tend to add more jobs compared to larger businesses; those places with more local businesses enjoy higher income levels. It would appear that entrepreneurial minds create more economic opportunities and add to the wealth of a place as they use local resources. This observation is supported by aggregate national data which illustrates that, on average, those that are self-employed tend to have higher average wealth holdings than those working for someone else. Based on a national establishment series the types of establishments and jobs in Amarillo were categorized by the following:

- **Noncommercial:** Includes educational institutions, post offices, government agencies and other nonprofit organizations. Although most hospitals are nonprofits, all healthcare-related companies are included in the resident and nonresident categories
- **Nonresident:** Businesses (establishments) that are located in the area but headquartered (if their headquarters is not themselves) in a different state.
- **Resident:** Either stand-alone businesses in the area or businesses with headquarters in the same state. The distinction between nonresidential and residential establishments is made because resident companies have more influence on job creation than businesses headquartered outside the state.

In the Amarillo region between 2000 and 2009, most of the growth in establishments came from resident establishments, these were mostly self-employed and stage 1 (those employing 2 to 9 employees) establishments. This group made up close to 93% of the establishments in the region and these two establishments collectively contained 29.5% of the jobs in the region. Moreover, job growth between 2000 and 2009 came from these establishment types as the rest shed jobs (with the exception of stage 5 employing more than 500 employees.)

We have included a table for each of the counties in the region with this information accessible through the following link, goo.gl/97ESn.

Occupation types. While industry describes the type of activity performed in a person's place of work, occupation describes the kind of work a person does to earn a living. Information on the activities that

serve as workers' regular sources of livelihood, profession and vocation can be gained through their occupation. The census bureau divides the occupations into 5 distinct groups:

- Management, business, science, and arts occupations
- Service occupations
- Sales and office occupations
- Natural resources, construction, and maintenance occupations
- Production, transportation, and materials moving occupations

According to the national research, these occupation types differ amongst and within each other in terms of their wealth creation ability. For example, those with managerial jobs tend to be more educated and paid better compared other occupation types. Table 8 includes how these different occupation types are distributed within the region and its counties.

For example, management and professional occupations generally pay higher wages and require formal education, and these occupations could exist in any number of industries (for example, managers could be working for a software firm, a mine, or a construction company). When we compare those counties with a high portion of their population employed as a management (found in Table 8) to those households with high net worth, we find that three of the top 5 counties for shares of population in management are the three counties with the highest household net worth.

Employment by occupation offers additional information that describes what people do for a living and the type of work they do, regardless of the industry. Counties with more diverse occupations are better equipped to respond to recessions and shocks in demand or supply. Furthermore, that diversity means the county has a greater capacity to change the composition of occupations.

Housing. According to two different publications released by the Federal Reserve, housing makes up a large share of wealth holding. In order to understand how property value is distributed amongst different categories, we retrieved total market value of properties by type from the Texas Comptroller of Public Accounts for the year 2010. Table 9 displays share of market value for residential property; farm and ranch; oil/gas/mineral and other subsurface interest; and other property types such as commercial, utilities and etc.

Looking at table 9, we can observe that areas with high housing value are the same areas with the largest labor income portion, the same areas with the largest portion of people in the working cohort, the same areas which have higher household net worth, and the same areas with large shares of management. Even though our research on allocation of assets by net wealth indicates that less money is partitioned to real estate than other financial tools, the absolute value of that portion is still significant and larger than other wealth levels.

Human capital. Education is one of the most important indicators predicting the potential for economic success and lack of education is closely linked to poverty. Economic research indicates that a better educated population increases a city's productivity, enhances its ability to innovate and even brings up the average wage of the less educated population simply by the presence of a large portion of educated people in the economy.

Table 10 shows the educational attainment for the counties in the Amarillo area compared to the state and nation. How educated or knowledgeable a person is can be difficult to measure, so as a proxy we use educational attainment, which refers to the level of education completed by people 25 years and over in terms of the highest degree or the highest level of schooling completed. This measure may leave out self-educated people or those that succeed without formal education but still effectively measures the human capital of a population. We can observe higher levels of education in the same counties that have higher wealth, higher management occupations and higher home values.

Figure 3 models the relationship between median household income and the share of population with a bachelor's degree or higher. Using the data from across the Amarillo region, we see that there is a strong positive correlation between educational attainment and median income. Assuming that educational attainment positively affects income and net worth is reasonable, but paired with the information on Table 9 and Figure 1- the assumption becomes almost impossible to dismiss. While there may be some room to argue about causation in terms of targeting transfer of wealth opportunities, the story is clear.

Wealthy Households. Assets are distributed differently across different wealth categories. For example, as households become wealthier the share of assets related to resident housing declines, while the share of assets related to business ownership increases. In other words, since wealthier

households are more diversified in their portfolio of asset holdings, they are more resilient during economic downturns.

Using a unique data set from ESRI, Inc., we have put households into 4 distinct categories: low-, mid- and high-wealth and millionaires (Table 11).

- Low-wealth: includes those households with less than $100,000 in wealth holding
- Mid-wealth: includes those households with $100,000 to $499,999 in wealth holding
- High-wealth: includes those households with $500,000 to $999,999 in wealth holding
- $1 Million and above: includes those households with $1 million or more in wealth holding.

There are multiple reasons why some counties have more households that fit into the low-wealth category and some have more that fit the $1 million or above category. For example, a younger place will have households that are just starting out and as a result they have not accumulated wealth yet. Alternatively, these low wealth places might have lost wealth to economic stress due to recent downturn. Those with larger shares of wealthier households may offer incentives such as better health care service for retirees who bring in their investments and accumulated wealth. It is important to understand the different types of people living in these counties and how those differences affect average wealth holdings.

Although, households with $1 million or more in wealth holding are not distributed evenly throughout the region, each county has households that fall in this category. At the end of this report, we have included a table showing how wealth holding is distributed in the region and its counties. We have also created a map showing the concentration of household with $1 million and above in net worth.

There are many statistical tools, because no single figure can accurately depict the complexity of human interactions and economics by itself. Therefore, when we analyze the wealth holdings of the Amarillo region, we include absolute measures and proportional measures, and we break the data into cohorts and look at the average wealth/median wealth ratio. Explaining the math behind it is rather simple, divide mean wealth holdings of a geographical area by the median wealth holdings for that same area, and what this measure tells us is just as simple. The closer the ratio is to 1 the smaller the gap between the mean wealth holdings and median wealth holdings are, conversely the larger the

measure gets the larger the distance between the mean and median. Essentially, this measure gives us insight about individual segments of the aggregate data pool we are observing. We can infer that, if a region's mean/median ratio is large, then there are a few individuals in the data pool whose wealth holdings are able to enlarge the mean without significantly enlarging the median.

Considerations

As is the case with many studies, our results will depend on the assumptions we made of the future. Any shifts from these assumptions will have an effect on our results either positively or negatively. Here are some of the factors that might affect the future wealth holding levels in the region.

Demographic trends. As we mentioned earlier in our report, we adopted the State Demographer's population projections in our model (see their methodology). The prepared population projections assume rates of net migration one-half of those of the post-2000 decades- suggesting the robust growth experienced by some of the counties between 2000 and 2010 may not be sustainable as we move into the future. Although slower population growth rates are assumed, the growth rate is steady as we move into the future. Any major shifts in migration rates in the future will have an impact on the wealth holding levels and transfer of wealth values for the region and its counties.

Agriculture. Farmers have added to their income levels due to the increases in crop prices. Moreover, they have added to their wealth levels due to the increasing attractiveness of agricultural land as an investment option. A recent report published by the American Society of Farm Managers and Rural Appraisers (ASFMRA) shows that region's agricultural land value has been increasing rapidly since the early 2000s. In our model, we have taken this trend line into consideration as it makes up more than 30% of the property values in 13 of the counties in the Panhandle. Even though agricultural land values will increase in the future, we assume the growth rate will not be as strong as it has been in the past. This assumption also makes our scenarios more conservative.

There are three factors that might affect the future land prices in the region. The first is drought. Although the region sits on top of the Ogallala Aquifer, any future drought, especially persistent ones, would test the irrigation capacity of the farms. Although some of the negative effects

of drought can be offset by advancements in drought-resistant crops, it still would not be enough to offset the effects of the lack of rain. The second factor is the future monetary policy of the U.S. The low worth of the U.S. dollar has been promoting agricultural exports. Furthermore, low-interest rates have discouraged farmers to sell their farm land. Any changes in the future on these factors will have an effect on the agricultural land prices and, in turn, on the wealth holding of farmers. The third factor is the state of the economy in the U.S. and globally. Our nation is still recovering from the recent effects of Great Recession (2007-2009). However, middle-class population has been growing in numbers in places such as India and China, demanding more food i.e. more agriculture. The future economic well-being of this class can affect the local land markets, because it is serving a global market.

Wind Energy. In 2005, the Texas Legislature passed legislation which established five Competitive Renewable Energy Zones (CREZ) to ensure that electricity transmission infrastructure was aggressively developed to take renewable, green electricity produced in CREZ areas to the major population centers located in the eastern portion of Texas. Although our model assumes an electricity transmission infrastructure development in the region to support major metro areas in the eastern part, we are keeping our assumptions conservative on the scale of this development. Recent development efforts around oil and gas in the nation made us consider a conservative scenario.

Appendix

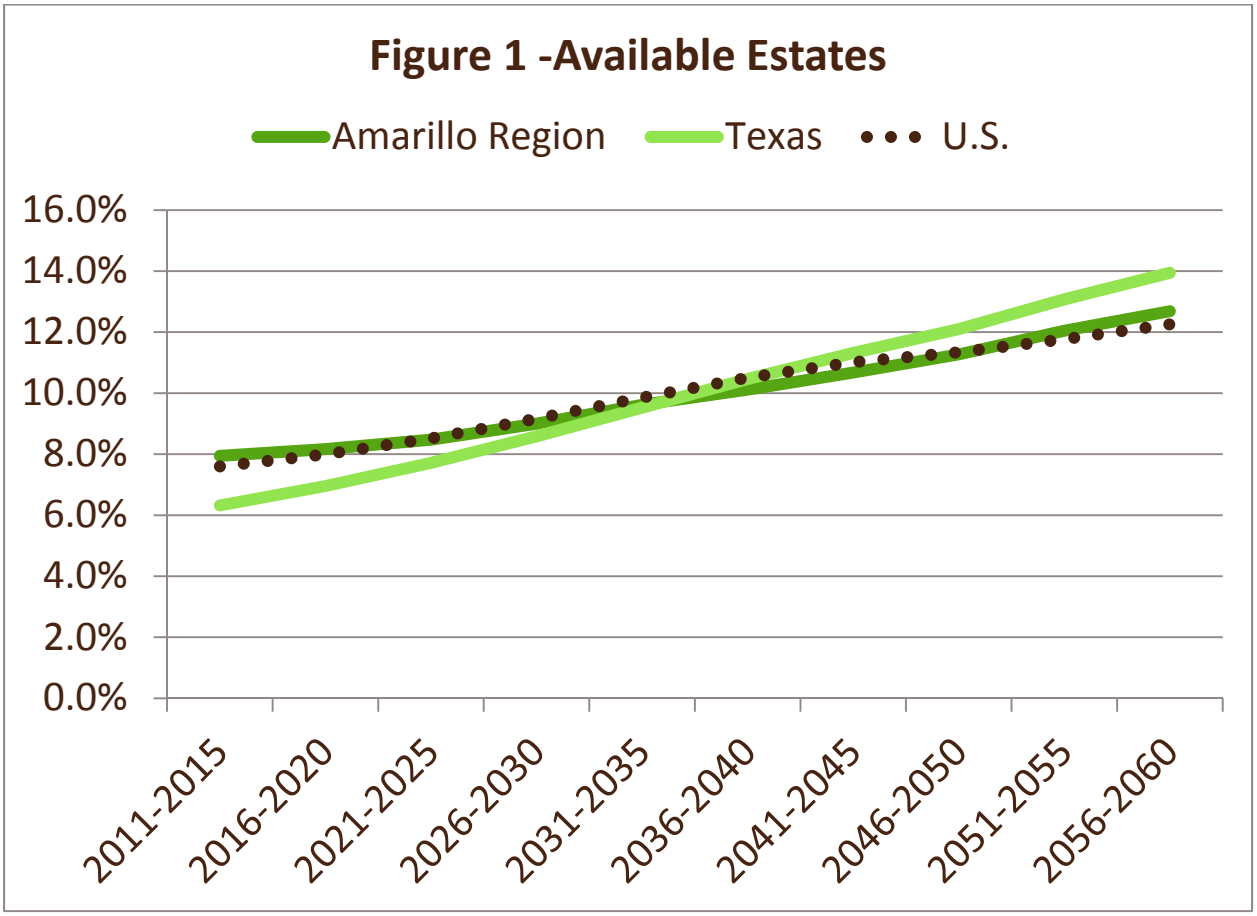
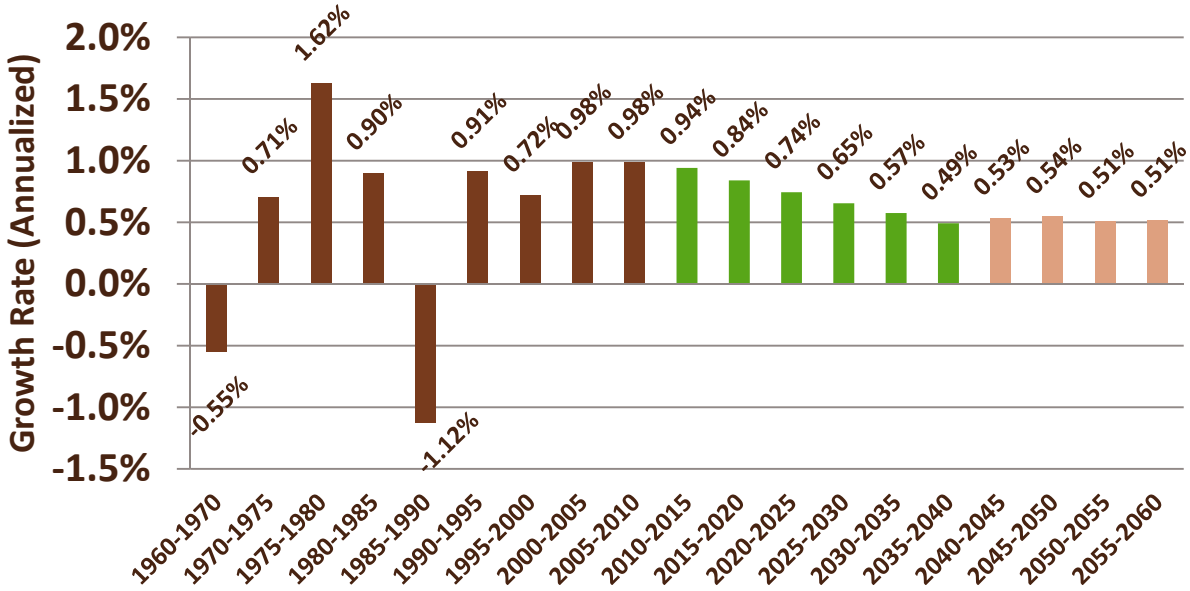


Figure 1 -Available Estates
Amarillo Region
Texas
U.S.
16.0%
14.0%
12.0%
10.0%
8.0%
6.0%
4.0%
2.0%
0.0%
2011-2015
2016-2020
2021-2025
2026-2030
2031-2035
2036-2040
2041-2045
2046-2050
2051-2055
2056-2060

Figure 2 - Population Growth Rates for Amarillo Region



Source: Historical population projections, Census (Brown), Population projections 2010-2040, State Demographer (Green) & Population projections 2040-2060 (Light Brown)

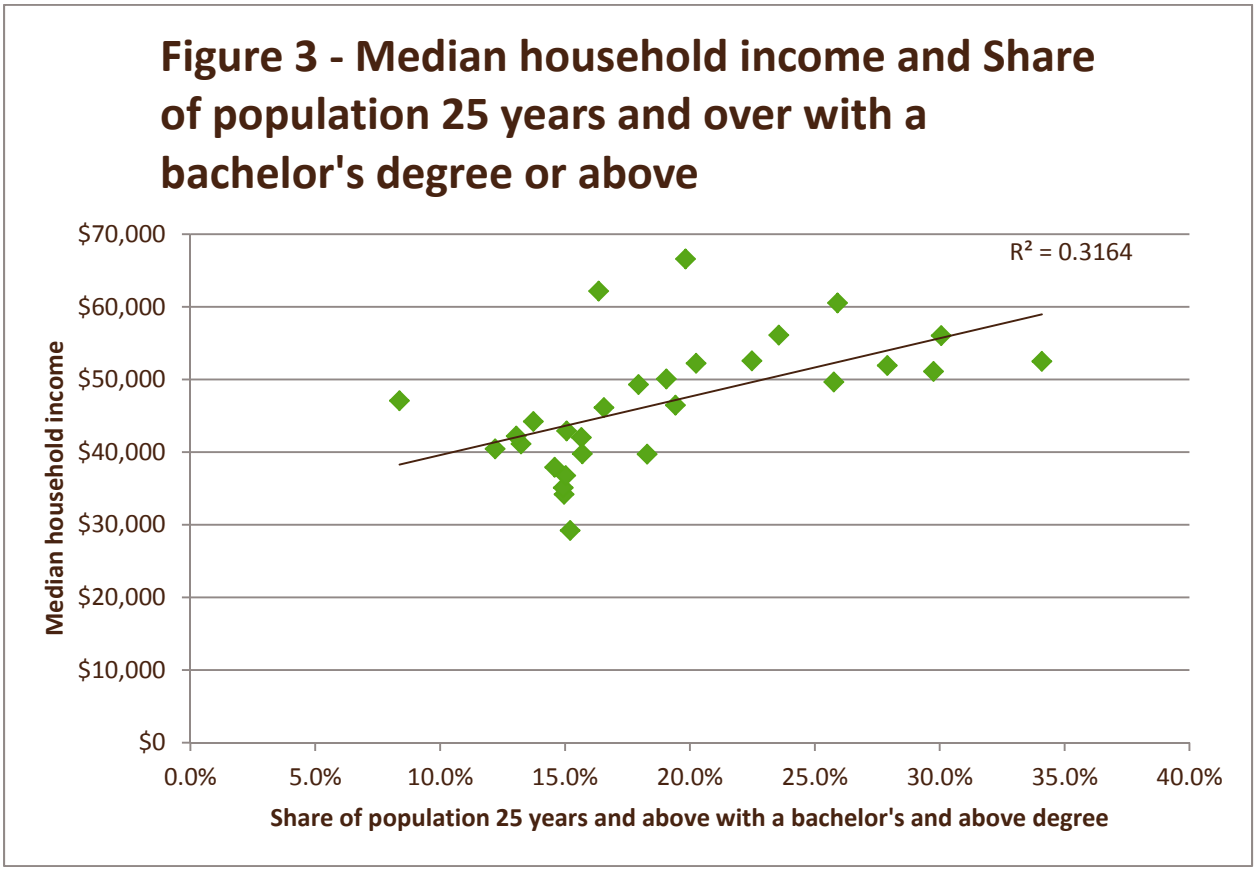
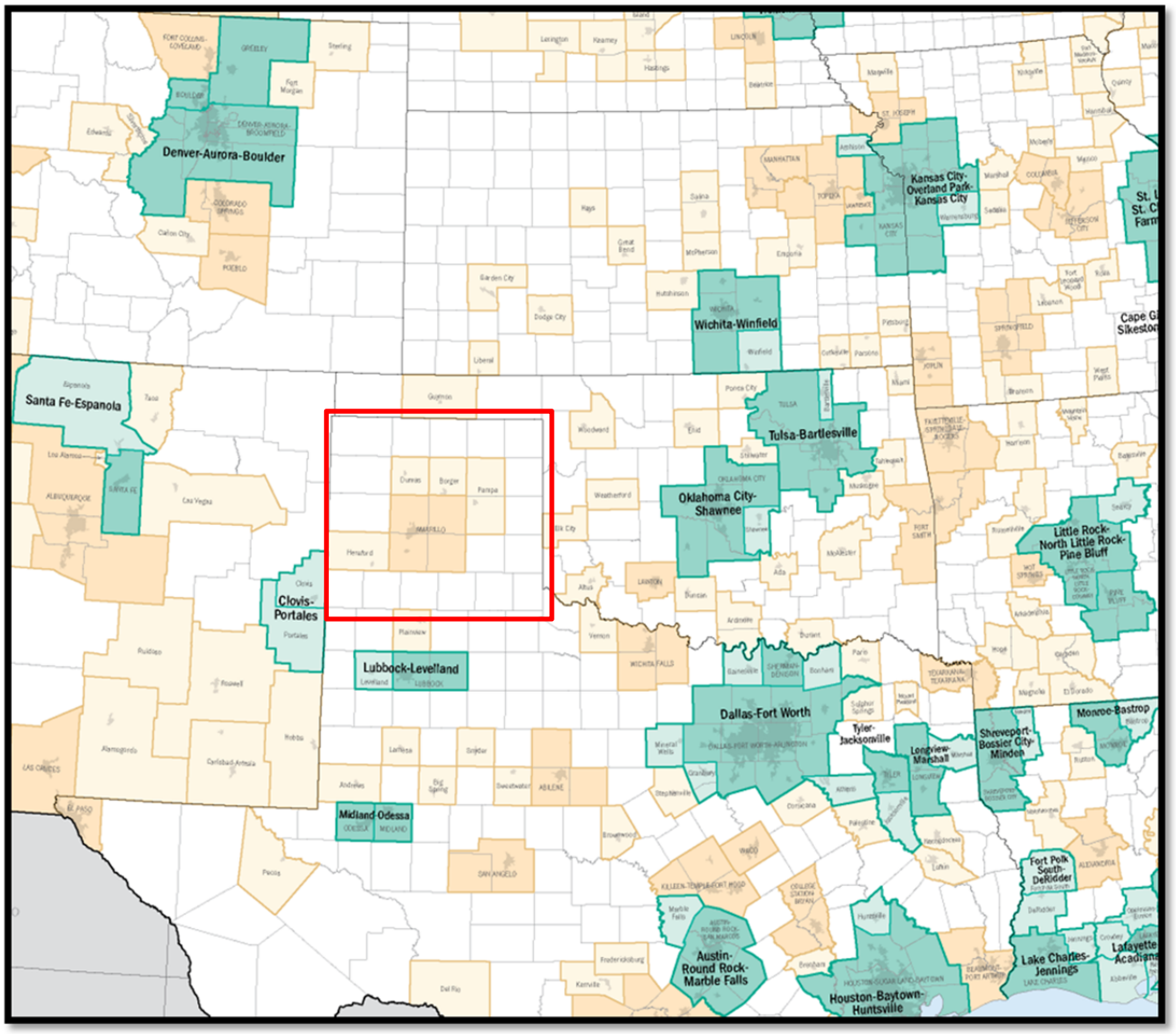


Figure 3 - Median household income and Share of population 25 years and over with a bachelor's degree or above
$70,000
$60,000
$50,000
$40,000
$30,000
$20,000
$10,000
$0
Median household income
R² = 0.3164
0.0%
5.0%
10.0%
15.0%
20.0%
25.0%
30.0%
35.0%
40.0%
Share of population 25 years and above with a bachelor's and above degree

Map 1 - Amarillo Area Region

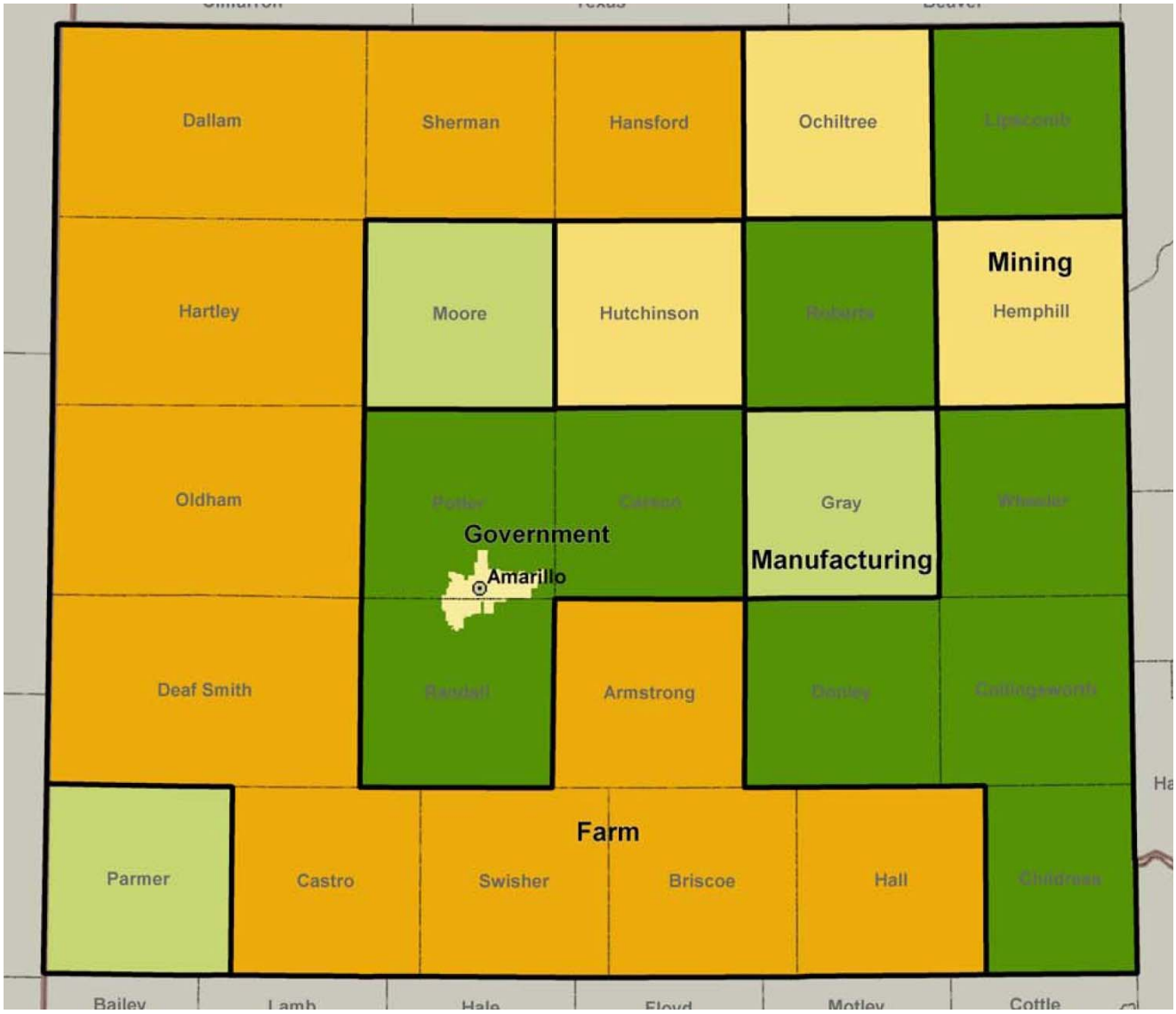
Legend by shade: *Dark green shades counties represent metropolitan areas, and white shaded counties represent non-metro areas.*

Map 2 – Metro and Non-metro areas in the larger region.



Amarillo Area Foundation's service area is highlighted in red rectangle.

Map 3 – Industry with highest labor earnings in the County, 2010



Legend by shade:

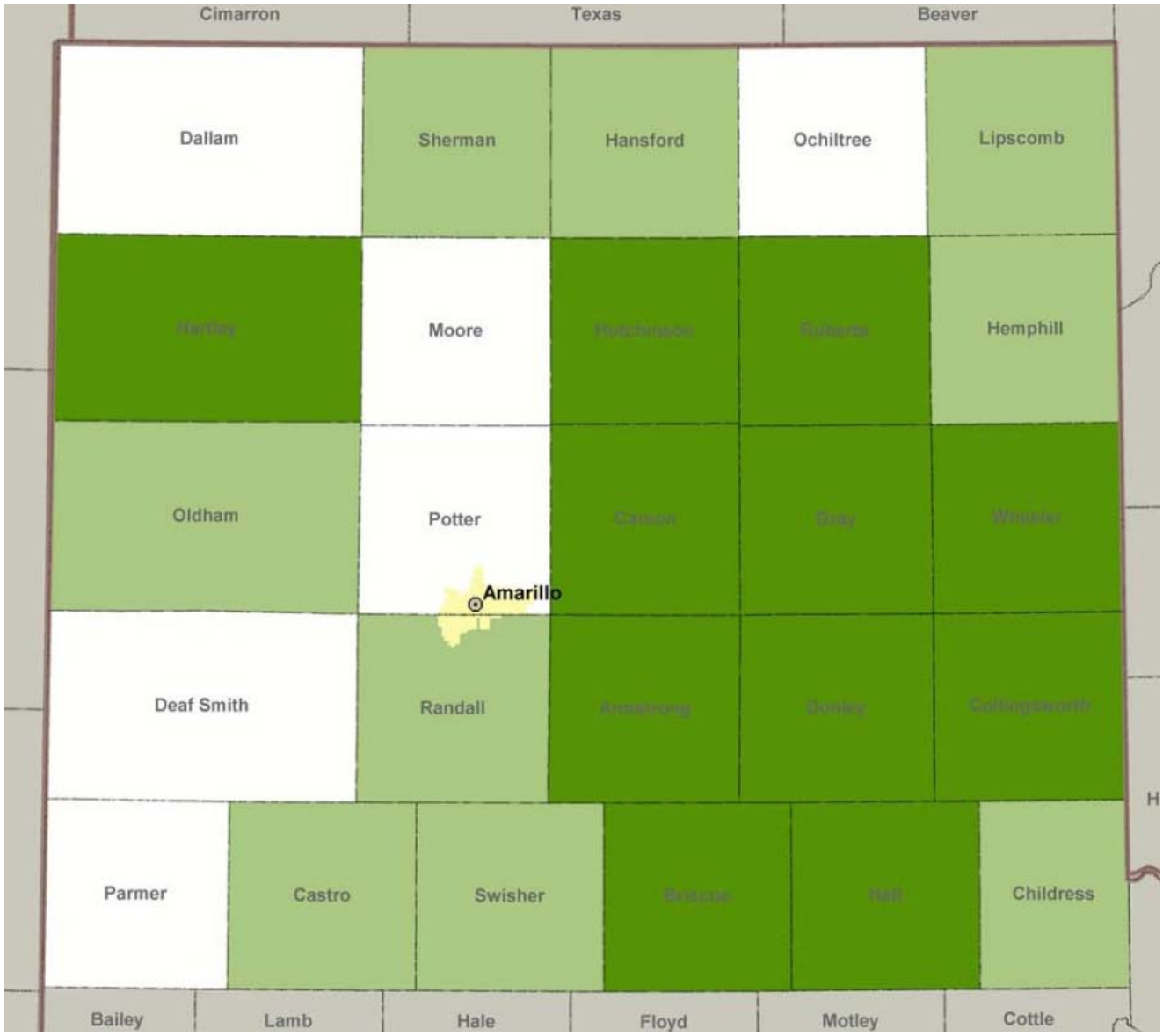
Dark green: government (9)

Light green: manufacturing (3)

Light yellow: mining (3)

Orange: farm (11)

Map 4 – Median age, 2010



Legend by shade:

Dark green: Median age is above the U.S. average or above 37.2 years

Light green: Median age is between 33.6 and 37.2

White: Median age is below the State's average or below 33.6

Map 5 – Share of small resident establishments in total, 2009

Legend by Shade:

Dark green: Share of small residential establishments in total is greater than the State average of 84.29%. **Light green:** Share of small residential establishments is between U.S. and State average or between 82.59% and 84.29%. **White:** Share of small residential establishments is under the U.S. average of 82.59%

Small residential establishments are those that have 9 or fewer employees and includes establishments with self-employed.

Table 1 – Current net worth and 10-year transfer of wealth opportunity

	2010 Current Net Worth		10-Year TOW			
	Value	PHH*	Value	PHH	5% Capture	5% Payout
Place	*Billions*	*Thousands*	*Billions*	*Thousands*	*Millions*	*Thousands*
U.S.	$28T	$234.7	$6.2T	$51.5		
Texas	$1,849.84	$207.3	$433.05	$48.5	$21.65(B)	$1.08(B)
Armstrong	$0.17	$222.4	$0.05	$67.6	$2.54	$126.97
Briscoe	$0.11	$157.0	$0.05	$72.1	$2.49	$124.75
Carson	$0.49	$201.7	$0.12	$48.6	$5.95	$297.74
Castro	$0.36	$131.2	$0.12	$45.0	$6.17	$308.62
Childress	$0.26	$112.6	$0.10	$41.5	$4.82	$241.12
Collingsworth	$0.21	$174.8	$0.05	$44.6	$2.63	$131.60
Dallam	$0.25	$102.1	$0.07	$29.9	$3.66	$182.97
Deaf Smith	$0.67	$104.8	$0.22	$34.4	$10.94	$546.81
Donley	$0.21	$137.2	$0.07	$43.5	$3.30	$164.99
Gray	$1.24	$146.8	$0.39	$45.6	$19.26	$962.80
Hall	$0.15	$108.7	$0.05	$34.5	$2.37	$118.38
Hansford	$0.30	$151.8	$0.10	$51.0	$5.12	$255.98
Hartley	$0.42	$236.8	$0.12	$66.8	$5.91	$295.72
Hemphill	$0.23	$167.3	$0.06	$44.1	$3.05	$152.39
Hutchinson	$1.55	$175.4	$0.42	$47.5	$20.93	$1,046.31
Lipscomb	$0.20	$158.5	$0.05	$42.6	$2.69	$134.53
Moore	$0.89	$124.1	$0.27	$37.4	$13.47	$673.37
Ochiltree	$0.55	$151.8	$0.19	$51.3	$9.29	$464.32
Oldham	$0.11	$165.1	$0.03	$47.6	$1.65	$82.27
Parmer	$0.38	$111.2	$0.12	$34.6	$5.90	$295.20
Potter	$4.70	$109.5	$1.35	$31.4	$67.39	$3,369.61
Randall	$10.84	$226.0	$2.81	$58.6	$140.51	$7,025.60
Roberts	$0.10	$266.6	$0.03	$70.8	$1.27	$63.50
Sherman	$0.19	$171.4	$0.07	$65.1	$3.52	$176.06
Swisher	$0.37	$132.6	$0.15	$53.8	$7.43	$371.53
Wheeler	$0.32	$144.5	$0.08	$38.6	$4.21	$210.60
Amarillo Region	**$25.26**	**$160.1**	**$7.13**	**$45.2**	**$356.47**	**$17,823.73**

*PHH stands for per household. Dividing values by number of households in 2010 gives us the PHH value. As a result per household (PHH) value for 10-Year TOW is inflated as it does not account for the growth in households.

Table 2 – Current net worth and 50-year transfer of wealth opportunity

	2010 Current Net Worth		50-Year TOW			
	Value	PHH	Value	PHH	5% Capture	5% Payout
Place	*Billions*	*Thousands*	*Billions*	*Thousands*	*Millions*	*Millions*
U.S.	$28T	$234.7	$75T	$628.1		
Texas	$1,849.84	$207.3	$5,248.81	$588.2	$262.44(B)	$13.12(B)
Armstrong	$0.17	$222.4	$0.31	$414.9	$15.58	$0.78
Briscoe	$0.11	$157.0	$0.32	$469.1	$16.23	$0.81
Carson	$0.49	$201.7	$0.94	$381.9	$46.82	$2.34
Castro	$0.36	$131.2	$0.95	$345.0	$47.34	$2.37
Childress	$0.26	$112.6	$0.76	$328.8	$38.24	$1.91
Collingsworth	$0.21	$174.8	$0.34	$289.5	$17.07	$0.85
Dallam	$0.25	$102.1	$0.60	$244.4	$29.91	$1.50
Deaf Smith	$0.67	$104.8	$1.92	$302.3	$96.21	$4.81
Donley	$0.21	$137.2	$0.42	$277.2	$21.03	$1.05
Gray	$1.24	$146.8	$2.63	$311.6	$131.54	$6.58
Hall	$0.15	$108.7	$0.31	$223.2	$15.31	$0.77
Hansford	$0.30	$151.8	$0.80	$398.2	$39.94	$2.00
Hartley	$0.42	$236.8	$0.89	$504.0	$44.63	$2.23
Hemphill	$0.23	$167.3	$0.43	$312.7	$21.60	$1.08
Hutchinson	$1.55	$175.4	$3.17	$360.0	$158.64	$7.93
Lipscomb	$0.20	$158.5	$0.38	$304.1	$19.21	$0.96
Moore	$0.89	$124.1	$3.13	$435.1	$156.58	$7.83
Ochiltree	$0.55	$151.8	$1.91	$528.7	$95.61	$4.78
Oldham	$0.11	$165.1	$0.21	$306.4	$10.59	$0.53
Parmer	$0.38	$111.2	$1.03	$303.0	$51.71	$2.59
Potter	$4.70	$109.5	$14.70	$342.5	$735.15	$36.76
Randall	$10.84	$226.0	$30.17	$628.9	$1,508.61	$75.43
Roberts	$0.10	$266.6	$0.16	$437.2	$7.85	$0.39
Sherman	$0.19	$171.4	$0.56	$516.8	$27.93	$1.40
Swisher	$0.37	$132.6	$1.01	$366.7	$50.64	$2.53
Wheeler	$0.32	$144.5	$0.52	$238.6	$26.02	$1.30
Amarillo Region	**$25.26**	**$160.1**	**$68.60**	**$434.9**	**$3,429.97**	**$171.50**

*PHH stands for per household. Dividing values by number of households in 2010 gives us the PHH value. As a result per household (PHH) value for 50-Year TOW is inflated as it does not account for the growth in households.

Table 3 - Annual growth of total population, employment and real personal income between 1970 and 2010 (%)

Place	Population	Employment	Real Personal Income
U.S.	1.29	2.26	4.10
Texas	3.12	4.58	7.90
Amarillo Region	0.68	1.48	2.36
Armstrong	0.03	0.27	2.74
Briscoe	-1.02	-0.64	0.23
Carson	-0.07	0.90	1.51
Castro	-0.55	-0.53	0.18
Childress	0.19	0.27	0.94
Collingsworth	-0.87	-0.36	1.46
Dallam	0.32	1.15	3.96
Deaf Smith	0.07	0.39	0.06
Donley	0.01	0.50	2.99
Gray	-0.41	-0.07	0.96
Hall	-1.09	-1.04	0.08
Hansford	-0.29	0.11	0.30
Hartley	2.87	2.50	4.65
Hemphill	0.54	2.54	4.09
Hutchinson	-0.25	0.30	1.28
Lipscomb	-0.16	0.76	1.71
Moore	1.40	2.53	1.97
Ochiltree	0.14	1.27	1.69
Oldham	-0.30	0.29	1.74
Parmer	-0.07	0.64	-0.46
Potter	0.85	2.14	3.03
Randall	3.10	8.10	6.64
Roberts	-0.13	0.33	3.48
Sherman	-0.42	-0.46	0.02
Swisher	-0.60	-0.78	-0.25
Wheeler	-0.40	0.30	1.70

Source: Bureau of Economic Analysis

Table 4 - Components of population growth, 2000-2011		
Place	Births per Death	Share of Natural Change|Net-Migration
U.S.	1.70	64|36
Texas	2.46	54|46
Amarillo Region	1.76	100|0
Armstrong	1.03	0|100
Briscoe	1.14	0|100
Carson	1.09	0|100
Castro	2.23	0|100
Childress	1.09	0|100
Collingsworth	1.05	0|100
Dallam	2.30	100|0
Deaf Smith	2.42	100|0
Donley	**0.77**	58|42
Gray	1.12	0|100
Hall	**0.95**	7|93
Hansford	1.82	100|0
Hartley	1.74	0|100
Hemphill	1.79	88|12
Hutchinson	1.26	0|100
Lipscomb	1.31	100|0
Moore	3.11	100|0
Ochiltree	2.43	99|1
Oldham	1.69	0|100
Parmer	2.21	0|100
Potter	1.89	100|0
Randall	1.81	45|55
Roberts	1.16	0|100
Sherman	1.64	0|100
Swisher	1.67	0|100
Wheeler	**0.89**	26|74
Source: Census Bureau, Population Division.		

Table 5 - Industries and their share of labor earnings in total, 2010

Place	Industry	Share of Labor Earnings in Total
U.S.	Government	18.3
Texas	Government	16.5
Amarillo Region	Government	15.9
Armstrong	Farm	28.9
Briscoe	Farm	38.8
Carson	Government	11.5
Castro	Farm	61.2
Childress	Government	45.8
Collingsworth	Government	23.1
Dallam	Farm	18.4
Deaf Smith	Farm	25.1
Donley	Government	31.3
Gray	Manufacturing	17.5
Hall	Farm	31
Hansford	Farm	41.9
Hartley	Farm	48.4
Hemphill	Mining	18.6
Hutchinson	Mining	27.1
Lipscomb	Government	25.3
Moore	Manufacturing	32.4
Ochiltree	Mining	31.9
Oldham	Farm	39
Parmer	Manufacturing	30.9
Potter	Government	16.3
Randall	Government	17.7
Roberts	Government	38.9
Sherman	Farm	61.4
Swisher	Farm	45.8
Wheeler	Government	19.8

Source: Bureau of Economic Analysis

Table 6 - Components of personal income, 2010 (%)

Place	Share of labor income	Share of non-labor income
U.S.	64.8	35.2
Texas	69.6	30.4
Amarillo Region	67.4	32.6
Armstrong	59.9	40.1
Briscoe	52.5	47.5
Carson	71.7	28.3
Castro	73.6	26.4
Childress	53.8	46.2
Collingsworth	52.3	47.7
Dallam	76.2	23.8
Deaf Smith	64.3	35.7
Donley	59.2	40.8
Gray	62.4	37.6
Hall	48.9	51.1
Hansford	69.7	30.3
Hartley	80.2	19.8
Hemphill	68.1	31.9
Hutchinson	65.4	34.6
Lipscomb	60.6	39.4
Moore	72.8	27.2
Ochiltree	71.2	28.8
Oldham	70.5	29.5
Parmer	66.3	33.7
Potter	63.1	36.9
Randall	72.3	27.7
Roberts	64.2	35.8
Sherman	76.3	23.7
Swisher	60.7	39.3
Wheeler	58.4	41.6

Source: Bureau of Economic Analysis

Table 7 - Distribution of age by selected categories, 2010				
Place	Under 21	21-64	65 and above	Median Age
U.S.	28.4%	58.5%	13.0%	37.2
Texas	31.8%	57.9%	10.3%	33.6
Amarillo Region	31.3%	56.0%	12.6%	37.2
Armstrong	25.1%	54.2%	20.7%	46.2
Briscoe	25.0%	53.1%	21.9%	45.7
Carson	28.4%	54.4%	17.2%	42.4
Castro	35.0%	51.7%	13.4%	33.9
Childress	25.1%	59.8%	15.1%	33.7
Collingsworth	30.9%	51.2%	17.9%	38.6
Dallam	33.9%	56.8%	9.4%	32.2
Deaf Smith	36.6%	51.9%	11.5%	31.0
Donley	29.8%	49.0%	21.2%	42.5
Gray	28.0%	56.0%	16.0%	38.8
Hall	29.4%	47.9%	22.6%	43.5
Hansford	34.0%	52.4%	13.6%	35.5
Hartley	24.5%	63.0%	12.5%	39.0
Hemphill	32.1%	55.0%	12.9%	35.9
Hutchinson	29.8%	55.4%	14.7%	37.8
Lipscomb	30.8%	54.5%	14.7%	37.0
Moore	36.5%	53.9%	9.6%	30.7
Ochiltree	35.6%	54.1%	10.3%	31.8
Oldham	37.4%	50.1%	12.4%	34.4
Parmer	35.7%	52.4%	11.9%	31.9
Potter	31.9%	57.2%	10.9%	33.0
Randall	29.9%	57.7%	12.5%	35.3
Roberts	28.1%	55.9%	16.0%	41.3
Sherman	33.7%	52.9%	13.3%	36.8
Swisher	29.8%	53.1%	17.1%	37.0
Wheeler	28.6%	53.0%	18.4%	40.2
Source: Census Bureau, Population Division.				

Table 8 - Distribution of Occupation, 2010						
Place	Total Employment	Management	Service	Sales	Natural resources	Production
U.S.	141,833,331	35.3%	17.1%	25.4%	9.8%	12.4%
Texas	11,125,616	33.7%	16.9%	25.7%	11.6%	12.1%
Amarillo Region	196,376	28.8%	17.7%	24.1%	13.8%	15.5%
Armstrong	895	33.4%	22.0%	23.1%	8.6%	12.8%
Briscoe	702	33.9%	17.8%	20.9%	20.8%	6.6%
Carson	2,877	33.5%	9.5%	22.6%	15.3%	19.0%
Castro	3,527	28.6%	15.5%	18.9%	19.5%	17.5%
Childress	2,774	26.8%	28.1%	25.2%	12.7%	7.2%
Collingsworth	1,274	38.1%	12.9%	22.3%	15.7%	11.0%
Dallam	3,504	18.6%	15.9%	21.5%	20.5%	23.4%
Deaf Smith	8,006	23.4%	16.8%	19.7%	17.6%	22.5%
Donley	1,587	34.2%	19.3%	19.6%	18.4%	8.6%
Gray	8,659	24.8%	17.1%	23.8%	17.9%	16.5%
Hall	1,285	33.2%	16.6%	21.6%	19.1%	9.5%
Hansford	2,595	30.1%	10.5%	23.6%	20.6%	15.3%
Hartley	2,335	43.3%	14.3%	19.0%	13.7%	9.6%
Hemphill	1,980	29.4%	14.4%	17.4%	16.0%	22.8%
Hutchinson	9,426	24.9%	17.1%	25.8%	16.0%	16.2%
Lipscomb	1,656	32.4%	14.6%	14.1%	23.3%	15.6%
Moore	9,711	22.4%	16.7%	19.1%	14.3%	27.5%
Ochiltree	4,401	26.8%	15.3%	17.7%	21.2%	19.0%
Oldham	1,079	37.5%	25.0%	17.0%	15.9%	4.5%
Parmer	4,610	25.6%	16.5%	13.4%	18.9%	25.5%
Potter	55,050	23.7%	21.9%	24.5%	13.3%	16.6%
Randall	61,329	35.6%	15.4%	28.3%	9.7%	11.0%
Roberts	424	42.7%	17.7%	22.9%	9.2%	7.5%
Sherman	1,406	34.2%	14.5%	14.0%	21.6%	15.7%
Swisher	2,933	30.4%	17.4%	21.4%	16.3%	14.5%
Wheeler	2,351	28.1%	18.5%	15.5%	22.8%	15.1%
Source: American Community Survey 5-Year Estimate, 2010						

Table 9 - Property values per household, 2010				
Place	Residential	Oil/Gas/Mineral	Farm & Ranch	Average
Texas	$114,234	$12,716	$26,503	$235,236
Armstrong	$45,109	$0	$124,545	$257,717
Briscoe	$20,133	$0	$285,860	$347,187
Carson	$55,563	$151,750	$106,221	$500,337
Castro	$33,440	$0	$144,164	$243,402
Childress	$40,788	$1,267	$124,438	$223,020
Collingsworth	$31,354	$12,878	$313,718	$399,448
Dallam	$33,028	$2	$156,703	$356,723
Deaf Smith	$54,372	$0	$65,970	$226,601
Donley	$35,884	$158	$223,408	$328,715
Gray	$53,775	$52,718	$22,836	$205,654
Hall	$29,719	$0	$237,255	$312,640
Hansford	$45,205	$166,555	$113,401	$560,832
Hartley	$97,298	$31,535	$265,899	$514,686
Hemphill	$71,278	$1,196,208	$188,022	$1,751,474
Hutchinson	$53,584	$47,228	$22,207	$321,174
Lipscomb	$28,852	$659,000	$141,776	$946,034
Moore	$66,065	$100,846	$36,103	$388,062
Ochiltree	$61,015	$141,231	$77,995	$375,190
Oldham	$48,657	$28,419	$324,861	$768,390
Parmer	$33,364	$0	$98,795	$256,018
Potter	$72,211	$4,053	$6,396	$161,701
Randall	$121,810	$0	$10,353	$167,187
Roberts	$37,625	$1,746,488	$253,570	$2,484,830
Sherman	$40,633	$357,605	$299,829	$919,160
Swisher	$30,647	$6	$111,054	$187,417
Wheeler	$30,695	$763,013	$152,849	$1,199,020
Source: Texas Comptroller of Public Accounts for the year 2010				

Table 10 - Education Attainment of Population 25 years and over and Median Household Income, 2010

Place	Population 25 years and over	High school graduate & above	Bachelor's degree & above	Graduate degree & above	Median Household Income
U.S.	199,726,659	85.0%	27.9%	10.3%	$51,914
Texas	15,116,371	80.0%	25.8%	8.5%	$49,646
Amarillo Region	264,819	80.1%	19.4%	5.9%	$46,460
Armstrong	1,374	91.5%	25.9%	7.1%	$60,530
Briscoe	1,203	81.0%	15.0%	2.7%	$34,196
Carson	4,266	87.9%	23.6%	7.1%	$56,106
Castro	4,723	68.1%	14.9%	2.6%	$35,087
Childress	4,798	82.1%	15.7%	4.0%	$42,004
Collingsworth	1,876	74.2%	18.3%	3.9%	$39,712
Dallam	3,763	71.8%	8.4%	2.3%	$47,073
Deaf Smith	10,984	66.3%	13.2%	4.4%	$41,127
Donley	2,374	82.2%	16.6%	5.1%	$46,130
Gray	15,202	79.3%	12.2%	3.5%	$40,442
Hall	2,309	72.2%	15.2%	2.5%	$29,219
Hansford	3,373	76.0%	20.2%	5.2%	$52,239
Hartley	4,465	78.4%	19.8%	4.9%	$66,583
Hemphill	2,484	80.7%	16.3%	4.6%	$62,159
Hutchinson	14,312	83.5%	13.0%	4.0%	$42,213
Lipscomb	2,046	81.5%	22.5%	3.7%	$52,566
Moore	12,244	69.5%	13.7%	4.1%	$44,216
Ochiltree	5,864	70.7%	17.9%	5.0%	$49,309
Oldham	1,247	82.3%	29.8%	9.1%	$51,111
Parmer	6,017	65.0%	15.7%	2.0%	$39,753
Potter	74,629	75.4%	15.0%	4.6%	$36,766
Randall	74,274	91.3%	30.1%	9.8%	$56,041
Roberts	616	91.9%	34.1%	12.5%	$52,500
Sherman	1,858	74.4%	19.1%	3.5%	$50,069
Swisher	5,019	75.9%	14.6%	4.5%	$37,907
Wheeler	3,499	79.4%	15.1%	3.8%	$42,909

Source: American Community Survey 5-Year Estimate, 2010

Table 11 - Distribution of households by selected wealth categories						
Place	Total Households	Less than $100,000	$100,000 to $499,999	$500,000 to $999,999	$1 Million and above	Average Wealth/Median Wealth
U.S.	116,759,989	51.3%	32.1%	9.0%	7.6%	6.8
Texas	8,873,382	53.9%	30.0%	8.8%	7.3%	7.7
Amarillo Region	154,245	56.9%	31.9%	6.7%	4.5%	5.6
Armstrong	814	50.5%	39.4%	6.6%	3.4%	4.1
Briscoe	672	62.9%	30.4%	3.9%	2.8%	5.6
Carson	2,424	41.4%	46.2%	8.0%	4.5%	4.0
Castro	2,485	62.7%	29.7%	4.9%	2.7%	7.1
Childress	2,403	62.7%	31.0%	4.6%	1.8%	6.0
Collingsworth	1,218	56.8%	33.0%	6.7%	3.4%	5.6
Dallam	2,319	73.4%	22.2%	2.2%	2.3%	9.8
Deaf Smith	6,320	65.5%	28.0%	4.1%	2.5%	8.0
Donley	1,551	58.7%	33.7%	4.8%	2.7%	5.2
Gray	8,766	52.9%	36.7%	6.0%	4.4%	6.2
Hall	1,380	66.6%	29.3%	2.5%	1.5%	4.9
Hansford	2,004	57.0%	33.9%	4.8%	4.2%	5.9
Hartley	1,628	46.5%	37.8%	7.3%	8.4%	5.7
Hemphill	1,351	53.1%	36.0%	7.8%	3.1%	5.6
Hutchinson	8,673	49.1%	38.8%	8.1%	3.9%	5.5
Lipscomb	1,208	55.5%	34.9%	6.6%	2.9%	5.5
Moore	6,884	58.8%	33.0%	4.8%	3.4%	5.8
Ochiltree	3,551	58.5%	30.8%	7.2%	3.5%	7.3
Oldham	736	63.0%	28.5%	3.7%	4.8%	5.6
Parmer	3,148	64.2%	29.4%	3.8%	2.5%	7.1
Potter	43,051	66.7%	25.2%	4.7%	3.4%	12.3
Randall	45,467	47.2%	35.6%	10.2%	7.0%	5.9
Roberts	356	45.8%	41.3%	6.7%	6.2%	4.4
Sherman	1,110	58.0%	32.1%	5.9%	4.1%	5.3
Swisher	2,726	59.0%	33.2%	5.2%	2.5%	5.4
Wheeler	2,000	57.1%	34.3%	6.0%	2.6%	5.7
Source: ESRI, Inc.						

Questions & More Information

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Center for Rural Entrepreneurship

The Center for Rural Entrepreneurship's vision for rural America is one of vibrant communities and regions that embrace entrepreneurship, that find new sources of competitive advantage in their inherent assets, and that invest in a new more sustainable future for both present and future generations. The Center's mission is to help our local, regional and state partners achieve this future by connecting economic development practitioners and policy makers to the resources needed to energize entrepreneurs and implement entrepreneurship as a core economic development strategy.

These development efforts require financial resources. Most traditional sources of funding are challenged as governments, businesses and foundations struggle to meet rising community needs. A core program area for the Center is Community Development Philanthropy, where our team helps your community, region or state build a community wealth road map. Our Transfer of Wealth (TOW) research offers insight into possibly the greatest opportunity to tap new, significant and sustainable funding streams in support of growing better and stronger communities. For many communities and regions, TOW research can help jump start important conversations leading to greater community giveback.

The Center has conducted TOW studies for clients around the nation for more than 10 years, and has published a book titled, *Transfer of Wealth in Rural America: Understanding the Potential, Realizing the Opportunity, Creating Wealth for the Future.* More product offerings are planned under our Community Development Philanthropy area.

To learn more about the Center's history and program areas, go to www.energizingentrepreneurs.org.

The Rural Policy Research Institute (RUPRI) provided founding support to create the Center for Rural Entrepreneurship in 2001. RUPRI's mission is to provide independent analysis and information on the challenges, needs, and opportunities facing rural people and places. The work of the Center for Rural Entrepreneurship, along with other centers and collaborations, helps RUPRI achieve this mission. To learn more about RUPRI, visit www.rupri.org.