

### 3. Agriculture

In certain areas of Northern California, agricultural production constitutes a significant portion of the economic base. The relative importance of agricultural production in an area affects the volatility of the local economy and, to some extent, determines what businesses are successful. Areas particularly dependent on a few agricultural crops can experience considerable instability in their economic performance as product prices fluctuate. In addition, seasonal unemployment is more pervasive in economies with a large agricultural sector, raising the average annual unemployment rate.

El Dorado County depends on the production of wine grapes as one of its staple agricultural commodities, as well as other commodities, including apples, Bartlett pears, and peaches. Pasture for rangeland accounts for the largest percent of agricultural land use in the county, while wine grapes and apples are the crops with the highest amount of production as well as total value for the county.

All information for this section was collected from the California Agricultural Statistics Service. It should be noted that the California Agricultural Statistics Service compiles data from each county's agricultural commissioner, who in turn collects data from farmers. In some cases, crops are classified under varying titles from year to year and deadlines are not always met for reporting information; therefore, some discrepancies exist in historical analysis.

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## Harvested Acreage

### Overview

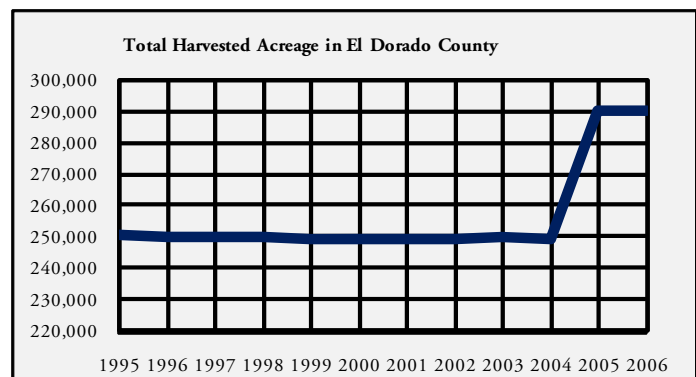
Total harvested acreage is the amount of land that is harvested for agricultural products in a given year. This includes field crops, vegetable crops, seed crops, and rangeland. Harvested acreage can fluctuate due to flooding, severe storms, fields that are left fallow for a season, government programs and regulations, pest control, and other factors.

This indicator presents the total number of harvested acres in the county over time, as well as the dominant crops and/or rangeland that make up the harvest and the trends associated with these important commodities. The county agricultural commissioner collects this data and reports it to the California Department of Food and Agriculture.

A decline in agricultural land availability may indicate urban expansion, a permanent removal of land from the production cycle. In some cases, crop types such as vines and orchards must grow for three to four years before being harvested, creating a cyclical pattern in harvested acreage. Therefore, evaluation of long-term patterns is more revealing than year-to-year comparisons.

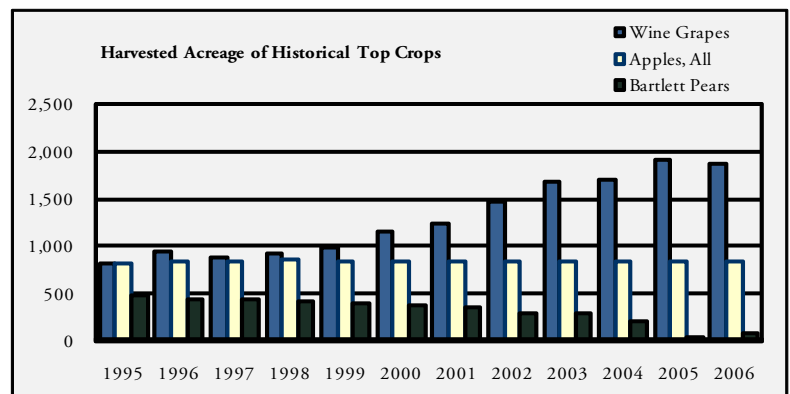
### El Dorado County

A total of 290,495 acres of land was harvested in El Dorado County in 2006, which accounts for 26.5 percent of the land area in the county and 1 percent of the total harvested land in California. Pasture for rangeland made up 98.5 percent of harvested acreage in the county. See the following illustrations for more detail on the county's harvested acreage by year, harvests of the most important crops, as well as rangeland.



Total Harvested Acreage		
Year	Total acres harvested	Percent of total land area
1995	250,354	22.9%
1996	249,744	22.8%
1997	249,733	22.8%
1998	249,777	22.8%
1999	249,539	22.8%
2000	249,404	22.8%
2001	249,341	22.8%
2002	249,533	22.8%
2003	249,716	22.8%
2004	249,674	22.8%
2005	290,452	26.5%
2006	290,495	26.5%

Source: California Agricultural Statistics Service

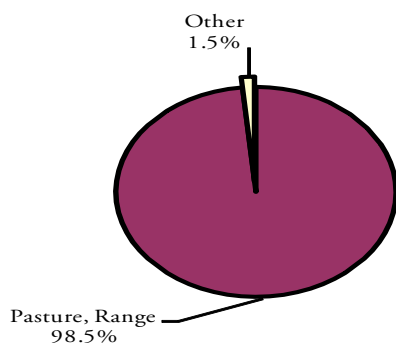


**Historical Top Crops Harvested Acreage**

Crops	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Wine Grapes	817	937	876	917	981	1,165	1,244	1,464	1,678	1,710	1,906	1,864
Apples, All	810	840	850	855	845	838	835	835	835	837	840	847
Other Hay, Unspecified	n/a	n/a	n/a	n/a	380	350	350	354	348	354	271	268
English Walnuts	220	220	215	n/a	216	216	216	253	249	249	239	219
Bartlett Pears	480	443	431	425	405	385	355	303	285	210	44	79
Peaches, Unspecified	70	100	102	110	110	110	110	97	102	102	101	105
Sweet Cherries	117	122	129	127	126	116	112	108	104	100	90	88
Asian Pears	n/a	n/a	n/a	n/a	66	66	66	63	63	60	39	46
Plums	60	60	61	59	60	58	58	61	57	57	53	52
Pasture, Range	245,000	245,000	245,000	245,000	245,000	245,000	245,000	245,000	245,000	245,000	286,000	286,000
Pasture, Irrigated	2,100	1,400	1,400	1,400	1,350	1,100	995	995	995	995	869	927

Source: California Agricultural Statistics Service

**Top Crops as a Percent of Total Harvested Acres, 2006**



Wine grapes were the dominant harvested crop in El Dorado County, with 1,864 acres harvested in 2006. This accounted for 0.3 percent of all wine grapes harvested in California. Asian pears comprised only forty-six acres of harvested land in the county, yet accounted for 4 percent of the California total. Apples made up the next most abundant harvest, with 847 acres in 2006, for nearly 5 percent of the state total.

## Top Crops Production

### Overview

This is the total volume of agricultural products produced in the county in tons, unless otherwise noted. The products do not have to be sold to be counted in the volume of production. The information is collected by the County Agricultural Commissioner, who in turn reports the data to the California Department of Food and Agriculture.

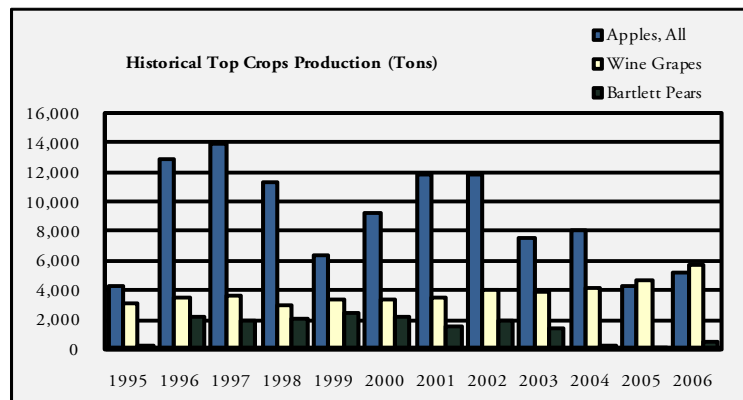
Changes in production compared to changes in acres harvested can indicate increasing or decreasing yields for locally grown agricultural products. Yields can change due to changes in technology, soil, and year-to-year weather patterns. Changes in yield, with unit crop price constant, lead to a proportional change in the economic value of the commodity within the county. However, often a decrease in yield, particularly when the change is due to conditions that affect yields in the broader growing area, causes price movements in the opposite direction. For that reason, the value of agricultural production (the next indicator) better represents the impact of agriculture on the local economy.

### El Dorado County

Wine grapes had the largest production in El Dorado County, with an average of 3,912 tons each year since 1996. Apples and “other” hay had the next highest production rate in the county, with 5,200 and 455 tons,

respectively, in 2006. The production of wine grapes remained relatively stable since 1995, while unspecified peaches experienced a decrease in production for the second straight year.

Bartlett pears peaked in 1999 with over 2,470 tons produced, and have decreased each year since (with the exception of 2002). Between 2005 and 2006, Bartlett pears saw an 82 percent increase in production. Other varying fluctuations may be due to weather, crop resiliency, and market influences contributing to the amount of production each year.



Historical Top Crops Production (Tons)

Crops	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Apples, All	4,313	12,936	13,913	11,269	6,422	9,300	11,857	11,774	7,487	8,114	4,257	5,200
Wine Grapes	3,186	3,532	3,638	2,961	3,345	3,400	3,570	4,060	3,953	4,209	4,642	5,720
Other Hay	n/a	n/a	n/a	n/a	560	610	634	673	644	652	461	455
Peaches, Unspecified	28	240	249	37	55	385	275	267	163	459	217	202
Asian Pears	n/a	n/a	n/a	n/a	205	264	413	560	504	352	87	288
Bartlett Pears	273	2,181	1,955	1,991	2,471	2,230	1,460	1,970	1,354	258	91	504
Plums	29	140	146	99	109	116	168	98	88	236	171	31
English Walnuts	60	122	110	n/a	132	86	134	139	154	103	36	76
Sweet Cherries	31	98	180	45	189	209	95	30	32	22	9	9

Source: California Agricultural Statistics Service

## Value of Agricultural Production

### Overview

This is the total value of agricultural products produced in the county. The products do not have to be sold to be counted in the value of production. The information on crop production and prices is collected by county agricultural commissioners and reported to the California Department of Food and Agriculture.

Included are the ten most important crops in the area, classified in terms of gross production value. Gross production value is measured for the calendar year and includes what is sold on the market and the portion used on the farm.

Agricultural production affects many areas of a county's economy, including jobs, income, and the economic output of related industries. When agricultural production declines, so do purchases from local businesses. Decreasing purchases of seed, fuel, irrigation water, commercial nutrients, feed stuff, veterinary drugs and vaccines, fertilizer, equipment, transportation services, and other production inputs have spillover effects on the suppliers of those goods and services. Not all crops have the same impact on local employment and income. Some are more labor intensive, generating more employment per unit of production. Others may result in more purchases from local businesses, providing a greater economic stimulus outside of the agricultural sector. For that reason an increase in the value of agricultural production, accompanied by significant change in the mix of crops, does not necessarily increase local income and employment. But, since cropping patterns rarely change significantly over short periods of time, a higher value of agricultural production is generally associated with higher local income. Trends in agricultural income are presented in greater detail in section six.

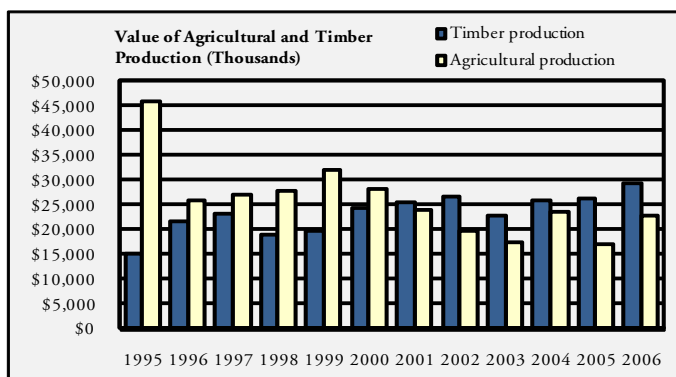
### El Dorado County

Total agricultural production totaled over \$52.1 million in El Dorado County in 2006, an increase of 18 percent from 2005. Timber production accounted for nearly 44 percent of that value, which had been steadily decreasing since 2000 before rising again in recent years. Cattle and calves generated over \$6.7 million in 2006, accounting for 23 percent of total agricultural production.

Agricultural and Timber Production (Thousands)

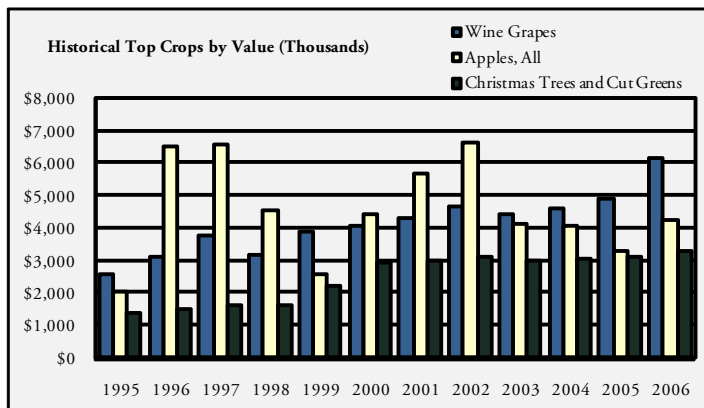
Year	Agricultural production	Timber production	Timber as a percent of total production	Total Production
1995	\$ 14,872	\$ 45,800	75.5%	\$ 60,672
1996	\$ 21,567	\$ 25,676	54.3%	\$ 47,243
1997	\$ 23,193	\$ 27,050	53.8%	\$ 50,243
1998	\$ 18,724	\$ 27,640	59.6%	\$ 46,364
1999	\$ 19,677	\$ 31,771	61.8%	\$ 51,448
2000	\$ 24,166	\$ 28,208	53.9%	\$ 52,374
2001	\$ 25,544	\$ 23,665	48.1%	\$ 49,209
2002	\$ 26,544	\$ 19,445	42.3%	\$ 45,989
2003	\$ 22,698	\$ 17,442	43.5%	\$ 40,140
2004	\$ 25,873	\$ 23,333	47.4%	\$ 49,206
2005	\$ 26,100	\$ 16,798	39.2%	\$ 42,898
2006	\$ 29,340	\$ 22,847	43.8%	\$ 52,187

Source: California Agricultural Statistics Service



The production of wine grapes, the most valuable crop in El Dorado County, generated over \$6.1 million and made up 21 percent of the county's total agricultural value in 2006. The next most valuable crop in the county was apples, with a value of \$4.2 million in 2006, or 15 percent of the county's production value. Both wine grapes and apples are extremely important to the local economy of the county because their successful harvest contributes to the livelihood of the farming community.

Pasture for rangeland and cattle are also highly valuable in El Dorado County, as well as Christmas trees and nursery products. Please see the graphs for illustrations of El Dorado County's agricultural production value.



**Top Crops by Value, 2006 (Thousands \$)**

Crop	Value
Wine Grapes	\$ 6,187
Apples, All	\$ 4,282
Peaches, Unspecified	\$ 495
Asian Pears	\$ 268
Cattle & Calves, Unspecified	\$ 6,743
Pasture, Range	\$ 3,718
Christmas Trees & Cut Greens	\$ 3,318
Nursery Products, Misc.	\$ 1,505
Livestock, Unspecified	\$ 1,146
Goats & Kids, Unspecified	\$ 592

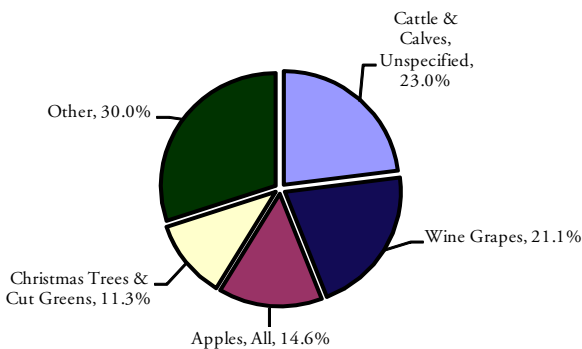
Source: California Agricultural Statistics Service

**Historical Top Crops by Value (Thousands \$)**

Crop	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Wine Grapes	\$ 2,587	\$ 3,140	\$ 3,798	\$ 3,155	\$ 3,880	\$ 4,060	\$ 4,317	\$ 4,680	\$ 4,430	\$ 4,608	\$ 4,940	\$ 6,187
Apples, All	\$ 2,049	\$ 6,527	\$ 6,567	\$ 4,545	\$ 2,572	\$ 4,450	\$ 5,715	\$ 6,658	\$ 4,126	\$ 4,089	\$ 3,284	\$ 4,282
Christmas Trees and Cut Greens	\$ 1,407	\$ 1,522	\$ 1,607	\$ 1,634	\$ 2,208	\$ 2,933	\$ 3,019	\$ 3,106	\$ 2,995	\$ 3,067	\$ 3,132	\$ 3,318

Source: California Agricultural Statistics Service

**Production of Top Crops as a Percent of Total Production, 2006**



## Top Crops Price per Unit

### Overview

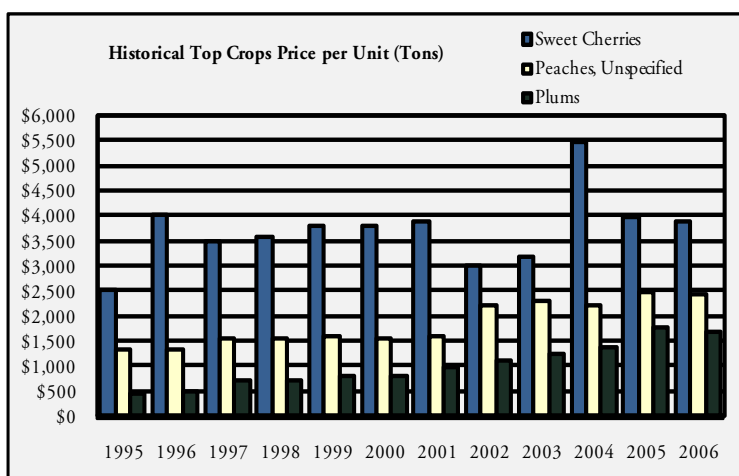
This is the price per ton, unless otherwise noted, paid to agricultural producers for their products. Although some crops may yield a high annual total value, certain crops bring in a higher price per unit. Price per unit is determined by crop availability and market demand. Information on price data includes the average price received by growers, excluding fresh market fruits and vegetables. Fresh produce is not included because it is on a packed and ready-to-ship basis (F.O.B. = Free-On-Board). Annual price data is published by the California Department of Food and Agriculture.

High prices and stable prices are both important for agricultural producers and the local economy dependent on agriculture. When prices are too low or fluctuate excessively, profitability cannot be guaranteed and local production may contract. The loss of a crop to an area can also result from the emergence of regional disadvantages such as closure of a local processing plant. Any significant loss of local production has an adverse impact on employees, contract workers, processors, and suppliers of various inputs.

Historical Top Crops Price per Unit (Tons)

	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005	2006
Sweet Cherries	\$ 2,500	\$ 4,000	\$ 3,500	\$ 3,600	\$ 3,800	\$ 3,800	\$ 3,900	\$ 3,000	\$ 3,200	\$ 5,500	\$ 3,967	\$ 3,889
Peaches, Unspecified	\$ 1,350	\$ 1,350	\$ 1,534	\$ 1,541	\$ 1,600	\$ 1,540	\$ 1,600	\$ 2,200	\$ 2,300	\$ 2,200	\$ 2,476	\$ 2,451
Plums	\$ 466	\$ 470	\$ 700	\$ 720	\$ 800	\$ 800	\$ 960	\$ 1,100	\$ 1,235	\$ 1,378	\$ 1,751	\$ 1,697
Wine Grapes	\$ 812	\$ 889	\$ 1,044	\$ 1,066	\$ 1,160	\$ 1,194	\$ 1,209	\$ 1,153	\$ 1,121	\$ 1,095	\$ 1,064	\$ 1,082
English Walnuts	\$ 1,280	\$ 1,560	\$ 1,500	n/a	\$ 1,000	\$ 1,200	\$ 1,020	\$ 1,060	\$ 922	\$ 998	\$ 981	\$ 1,600
Asian Pears	n/a	n/a	n/a	n/a	\$ 418	\$ 467	\$ 570	\$ 560	\$ 573	\$ 922	\$ 1,356	\$ 931
Bartlett Pears	\$ 110	\$ 255	\$ 338	\$ 302	\$ 303	\$ 213	\$ 178	\$ 190	\$ 184	\$ 683	\$ 232	\$ 441
Apples, All	\$ 475	\$ 505	\$ 472	\$ 403	\$ 400	\$ 479	\$ 482	\$ 565	\$ 551	\$ 504	\$ 772	\$ 823
Other Hay	n/a	n/a	n/a	n/a	\$ 110	\$ 97	\$ 119	\$ 105	\$ 91	\$ 115	\$ 115	\$ 117

Source: California Agricultural Statistics Service



### El Dorado County

Buyers paid \$3,889 per ton for sweet cherries in 2006, compared to an average \$4,717 in California. Although sweet cherries were the highest priced agricultural product in El Dorado County, wine grapes were more widely sold. Various types of peaches are also a prominent crop, as well plums, English walnuts, and pears.

## Government Payments to Farms

### Overview

The government payments to farms indicator is a figure from the 2002 Census of Agriculture that represents the total payment of government to farms in a specified region (at the county level). This category consists of direct cash payments received by the farm operators in 2002. It includes disaster payments, loan deficiency payments from prior participation, compensation payments from Conservation Reserve Programs (CRP), the Wetlands Reserve Programs (WRP), other conservation programs, and all other federal farm programs under which payments were made directly to farm operators. Subsidy payments, from such sources as the Commodity Credit Corporation (CCC), and federal crop insurance payments were not tabulated in this category.

The Commodity Credit Corporation (CCC) is a government-owned and -operated entity that was created to stabilize, support, and protect farm income and prices. CCC also helps maintain balanced and adequate supplies of agricultural commodities and aids in their orderly distribution. The CCC authorizes the sale of agricultural commodities to other government agencies and to foreign governments and the donation of food to domestic, foreign, or international relief agencies. The CCC also assists in the development of new domestic and foreign markets and marketing facilities for agricultural commodities. Payments to farms, including subsidies, is additional income to farmers that benefits the local economy. However, farmers that are too dependent on government payments for their livelihood could be in jeopardy if legislators in Washington or Sacramento decide to cut funding for farm programs.

### El Dorado County

Of the 1,116 farms in El Dorado County in 2002, fifteen received some form of government aid (1 percent). Government payments reached \$64,000, and no CCC payments were made to El Dorado farms. As reported in section 3.3, the county's agriculture production that year was over \$26.5 million (excluding timber production). On average, individual farms received \$4,284 in government payments in 2002.

Government Payments and Commodity Credit Corporation Loans

Year	Government Payments			Commodity Credit Corporation Payments		
	Number of Farms	Total Amount Received (\$1,000)	Average Amount Received	Farms Receiving Aid	Total Amount Received (\$1,000)	Average Amount Received
1997	16	\$ 31	\$ 1,936	0	N/A	N/A
2002	15	\$ 64	\$ 4,284	0	N/A	N/A

Source: US Department of Agriculture, National Agricultural Statistics Service



