

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.

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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.

Wine grapes were the dominant harvested crop in El Dorado County, with 1,747 acres harvested in 2007. This accounted for 0.3 percent of all wine grapes harvested in California. Asian pears comprised only forty-one 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 845 acres in 2007, for nearly 5 percent of the state total.

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 %
2007	237,226	21.7 %

Source: California Agricultural Statistics Service

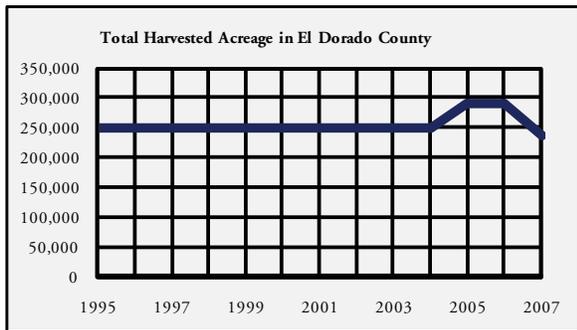
El Dorado County

A total of 237,226 acres of land was harvested in El Dorado County in 2007, which accounts for 21.7 percent of the land area in the county and 1 percent of the total harvested land in California. Pasture for rangeland made up 98.2 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.

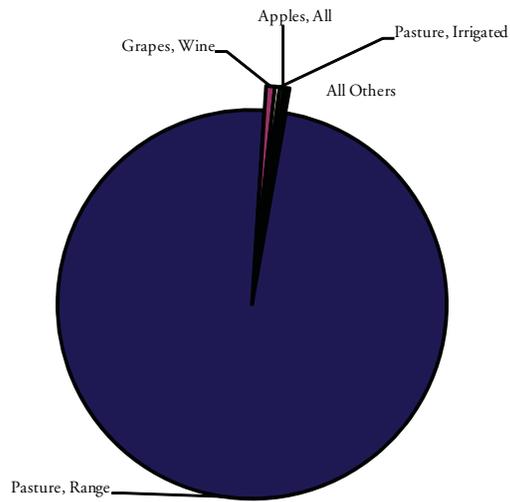
Top Crops Harvested Acreage

Crop	Percent of	
	2007	Total
Pasture, Range	233,000	98.2 %
Grapes, Wine	1,747	0.7 %
Pasture, Irrigated	927	0.4 %
Apples, All	845	0.4 %
Hay, Other, Unspecified	216	0.1 %
Walnuts, English	158	0.1 %
Peaches, Unspecified	105	0.0 %
Pears, Bartlett	84	0.0 %
Plums	52	0.0 %
Cherries, Sweet	51	0.0 %
Pears, Asian	41	0.0 %

Source: California Agricultural Statistics Service



**Top Crops
as a Percent of Total Harvested Acres, 2007**



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, fee, 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 \$53.1 million in El Dorado County in 2007, an increase of 2 percent

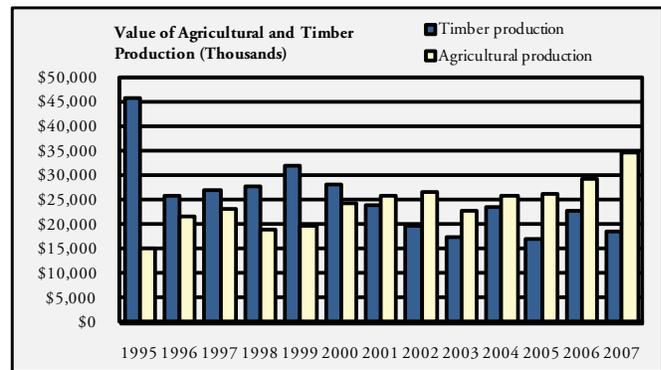
from 2006. Timber production accounted for nearly 35 percent of that value, which had been up and down since 2000. Cattle and calves generated over \$6.5 million in 2007, accounting for 19 percent of total agricultural production.

The production of apples, the most valuable crop in El Dorado County, generated over \$8.1 million and made up 23.5 percent of the county's total agricultural value in 2007. The next most valuable crop in the county were wine grapes, with a value of \$6 million in 2007, or 17 percent of the county's production value. Both wine grapes

Agricultural and Timber Production (Thousands)

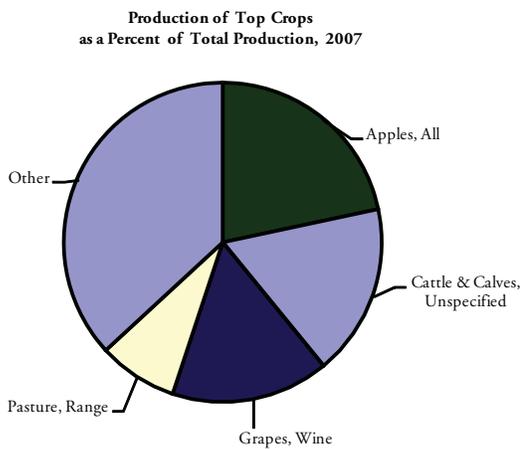
Year	Agricultural production	Timber production	Timber as a percent of total production	Total Production
1995	\$ 14,872	\$ 45,800	75.5 %	\$ 60,672
1996	\$ 21,567	\$ 25,676	54.3 %	\$ 47,243
1997	\$ 23,193	\$ 27,050	53.8 %	\$ 50,243
1998	\$ 18,724	\$ 27,640	59.6 %	\$ 46,364
1999	\$ 19,677	\$ 31,771	61.8 %	\$ 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
2007	\$ 34,643	\$ 18,521	34.8 %	\$ 53,164

Source: California Agricultural Statistics Service



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, 2007

Crop	Value
Apples, All	\$ 8,152,500
Cattle & Calves, Unspecified	\$ 6,581,100
Grapes, Wine	\$ 6,021,500
Pasture, Range	\$ 3,029,000
Christmas Trees & Cut Greens	\$ 2,715,600
Nursery Products, Misc.	\$ 2,169,000
Livestock, Unspecified	\$ 1,568,500
Peaches, Unspecified	\$ 908,200
Apiary Products, Bees, Unspecified	\$ 600,000
Fruits & Nuts, Unspecified	\$ 566,800
Goats & Kids, Unspecified	\$ 535,300
Pears, Asian	\$ 520,000

Source: California Agricultural Statistics Service

Top Crops Production & Price

Overview

This section includes the total volume of production and the price per unit for the top ten agricultural products in terms of value, presented in the previous section. 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.

Data is usually presented in terms of weight including tons, pounds, or hundred weight (cwt) which is 100 U.S. pounds. Units can also be counts (each), dozens, or thousands. Apiary products can be in colonies (col), forest products in cords, or the product may not have a unit or value per unit recorded if it is not applicable or ambiguous (for example, most miscellaneous categories include multiple, noncomparable unit measures).

High prices and stable prices are 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 weaken.

El Dorado County

Of the top ten crops in terms of value, apples had the largest production volume in 2007, yielding 5,378 tons. That year, the county contributed 2 percent of the total reported production of apples in California. Wine grapes had the next highest production weight in the county, with 5,029 tons in 2007.

Buyers paid \$2,640 per ton for peaches in 2007, making peaches the highest priced agricultural product among the top ten in the county. They make up a vital part of the county's agricultural well-being. The next highest crop in terms of price per ton were apples at \$1,516.

Top Crops Production Tied to Total Value

Crop	Unit	2007
Apples, All	Tons	5,378
Cattle & Calves, Unspecified	N/A	N/A
Grapes, Wine	Tons	5,029
Pasture, Range	N/A	N/A
Christmas Trees & Cut Greens	N/A	N/A
Nursery Products, Misc.	N/A	N/A
Livestock, Unspecified	N/A	N/A
Peaches, Unspecified	Tons	344
Apiary Products, Bees, Unspecified	N/A	N/A
Fruits & Nuts, Unspecified	N/A	N/A

Source: California Agricultural Statistics Service

Top Crops Price per Unit Tied to Total Value

Crop	Unit	2007
Apples, All	Tons	\$ 1,516
Cattle & Calves, Unspecified	N/A	N/A
Grapes, Wine	Tons	\$ 1,197
Pasture, Range	N/A	N/A
Christmas Trees & Cut Greens	N/A	N/A
Nursery Products, Misc.	N/A	N/A
Livestock, Unspecified	N/A	N/A
Peaches, Unspecified	Tons	\$ 2,640
Apiary Products, Bees, Unspecified	N/A	N/A
Fruits & Nuts, Unspecified	N/A	N/A

Source: California Agricultural Statistics Service

Government Payments to Farms

Overview

The government payments to farms indicator is a figure from the 2007 Census of Agriculture. It represents the total that the government paid to farms in a specified region (the county level). This category consists of direct cash payments received by farms in 2007. 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 farms. 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 pay-

ments 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 1,268 farms in El Dorado County in 2007, twenty-three received some form of government aid (1 percent). Government payments were unknown, 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 \$34.6 million (excluding timber production).

Government Payments and Commodity Credit Corporation Loans

Year	Government Payments			Commodity Credit Corporation (CCC) 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	\$ 4,267	0	N/A	N/A
2007	23	N/A	N/A	0	N/A	N/A

Source: US Department of Agriculture, National Agricultural Statistics Service

