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Tools for Community Self-determination

Transition Plateaus, Mountains, and Gila River region Local Farm & Food Economy

Highlights of a data compilation

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for

New Mexico Bioneers

July 27, 2009

This bioregion encompasses Catron, Cibola, & Grant Counties of New Mexico

Note: Bioregional boundaries do not follow county lines. However, data used in this summary are reported only by county. This regional overview covers the counties listed in their entirety, which is only an approximation of the defined bioregion.

Gila River Region: (Bureau of Economic Analysis)

60,332 residents receive \$1.4 billion of income annually (2006). Although population has more than doubled, and personal income has tripled, since 1969, there has been only limited public planning to assure a secure and stable food supply.

Issues affecting low-income residents of Gila River Region:

26,630 residents (46%) earn less than 185% of federal poverty guidelines. At this level of income, children qualify for free or reduced-price lunch at school. These lower-income residents earn a combined \$255 million per year, including \$50 million buying food. Their food purchases are supplemented by SNAP benefits (formerly known as food stamps) and by WIC coupons (these two benefits combined generally amount to about 10-15% of low-income food expenditures). Low-income residents alone lost \$16 million in net assets in the year 2007. *Data from Federal Census of 2000, & Bureau of Labor Statistics.*

Food-related health conditions in New Mexico:

One-fifth (20%) of New Mexico residents have no health insurance — the second highest rate in the U.S. Only half of state employers offer health coverage.¹ This lack of insurance carries significant public costs, since both county governments and medical facilities pay for treating customers who are not covered. Costs of this treatment in New Mexico are estimated to be \$6 billion per year.²

¹ Robert Wood Johnson Foundation, State summary for New Mexico, <http://covertheuninsured.org/>, accessed May 24, 2009.

² New Mexico Human Services Department (2007). "Summary of New Mexico's Universal Health Coverage Reform Efforts." SCI/Academy Health Summer Workshop for State Officials, August 2. Viewed May 24,

Food has become a leading cause of death in the U.S, rivaling tobacco. A high-calorie diet, combined with a lack of exercise, accounts for one-fifth of the annual deaths in the U.S.³ Six of the fifteen leading causes of death are related to poor diet and low physical activity.⁴

60% of New Mexico residents are overweight or obese, with one-third (34%) overweight and more than one-quarter (26%) obese. Nearly four of every five state residents (78%) eat fewer fruits and vegetables that nutritionists recommend (five servings per day), and 22% report they have no physical activity. 7.8% of state residents have been diagnosed with diabetes. *Source: Centers for Disease Control.*

The region's ranches and farms (U.S. Census of Agriculture, 2007)

Agriculture Census data for 2007 were released February 4, 2009. Note that the Census of Agriculture uses the term "farm" to include both ranches and farms.

Land:

- 903 ranches and farms. This is up 43% from 2002, when 633 operations were tallied. One of the main differences appears to be better reporting of limited-resource farms by the Census, especially Hispanic and Native owned.
- This amounts to 4% of New Mexico ranches and farms.
- 275 (30%) farms are less than 50 acres.
- 298 (33%) of farms are 1,000 acres or more.
- The most prevalent farm size is 50-179 acres, with a total of 157 farms (17% of farms).
- Average farm size is 4,623 acres, 224% of New Mexico's average.
- The region has 4 million acres of land in ranches and farms.
- This amounts to 10% of the state's farmland.
- The region has 30,889 acres of harvested cropland.
- 279 (31%) farms have a total of 8,787 acres of irrigated land.
- 29 of these farms receive irrigation water from the Bureau of Reclamation (1% of New Mexico's total).
- Average value of land and buildings per farm is \$1,031,343. This is 148% of the state average of \$696,081.

Sales (Note that there may be discrepancies between Ag Census data and Bureau of Economic Analysis data, below):

- \$18.8 million of crops and livestock sold (2007), 1% of state agricultural commodity sales.
- This is a 6% decrease in sales from the 2002 level of \$20 million.
- Total farm production expenses were \$26.2 million, for an increase of \$5 million (27%) in production costs from 2002 to 2007.

2009, at www.statecoverage.org/files/2007_SCI_Summer_Meeting_Esquivel.ppt.

³ McGinnis, J.M. & W.H. Foegen (1993). "Actual causes of death in the United States." *JAMA* 270(18):2207-12; and Mokdad, A.H, J.S. Marks, D.F. Stroup, & J.I. Gerberding (2000). "Actual causes of death in the United States." *JAMA* 291(10):1238-45 [with published corrections in *JAMA* (2005), 293(3), 293-294.]

⁴ Heron M., D.L. Hoyert, J. Xu, C. Scott, & B. Tejada (2008). *Deaths: preliminary data for 2006*. National Vital Statistics Report 56:16. http://www.cdc.gov/nchs/data/nvsr/nvsr56/nvsr56_16.pdf.

- The largest farm production expenses were feed costs, totaling \$4.6 million, and livestock costs, at \$4.2 million. Depreciation ranked third, at \$3.8 million. Costs for purchasing gasoline, fuels and oils totaled \$3.0 million. Hired labor costs totaled \$2.8 million. Supplies, repair, and maintenance cost \$2.6 million.
- \$389,000 of crops were sold (2% of sales), \$66,000 (15%) less than in 2002. *Note that sales data for Cibola County were suppressed by USDA to protect confidentiality, so these figures are not included in this total.*
- \$18.5 million of livestock and products were sold (98% of sales). *Note that sales data for Cibola County were suppressed by USDA to protect confidentiality, so these figures are not included in this total.*
- 645 (71%) of the region’s farms sold less than \$10,000 of products in 2007. Their aggregate sales of \$990,000 amounted to 5% of the region’s farm product sales.
- 58 farms (6%) sold more than \$100,000 of products, an aggregate total of \$14.3 million, 72% of region farm product sales.
- 54 farms received \$461,000 of federal subsidies in 2007. *[Note that Agriculture Census data differ from Bureau of Economic Analysis data; see below.]*
- 70% (632) of the region’s farms reported net losses in 2007, even after subsidies are taken into account. This is greater than the New Mexico average of 65% (13,526 of 20,930).

Principal Products sold in 2007 (**Sales data for many of these products is suppressed by USDA to protect confidentiality*):

	\$ millions
Cattle	<i>suppressed*</i>
Forage	<i>suppressed*</i>

Grains, Dry Edible Beans, Oil Crops, and others:

- 3 of the region’s farms sold corn in 2007, producing at least 40 bushels of corn produced on over 5 acres. *Note: Due to suppression of data for corn producers in Cibola County by USDA to protect confidentiality, regional totals for acreage, production, and sales are not complete.*
- 2 farms produced dry edible beans.

Cattle & Dairy:

- 578 ranches and farms hold an inventory of 68,327 cattle and calves.
- 40,712 cattle were sold from 458 ranches and farms in 2007. *Note that cattle sales from Catron County were suppressed by USDA to protect confidentiality, and are not included in this total.*
- Six farms held six dairy cows.
- 67 farms produced 6,314 dry tons of forage crops (hay, etc.) on 2,679 acres of cropland.

Other livestock & animal products:

- 34 farms sold 144 hogs and pigs.
- 31 farms held an inventory of 102 hogs and pigs.
- 101 farms sold \$268,000 of horses.
- 49 farms raise laying hens, holding an inventory of 820.
- 33 farms sold poultry and products in 2007.
- 76 farms held an inventory of 4,941 sheep, lambs, and goats. *Note that sheep and lamb sales for Catron County were suppressed by USDA to protect confidentiality.* The number of farms (26 in 2002

to 170 in 2007) selling these small livestock rose 169%, with the largest gains in Cibola County, where the number of sheep farms increased from 15 to 53.

Nursery, Landscape and Ornamental Crops & Cotton:

- Four farms raised nursery and ornamental crops.

Vegetables & Melons (some farmers state that Ag Census data does not fully represent vegetable production):

- 54 farms sold over \$246,000 of vegetables and potatoes in 2007, mostly from Cibola County.
- There were only 7 vegetable farms reported in 2002.
- 2 farms raised potatoes.

Detailed lists of vegetables harvested in 2007, as recorded by the Agriculture Census:

Notes: (some farmers state that Ag Census data does not fully represent vegetable production).

(D) means data suppressed by USDA to protect confidentiality; (Z) means less than half of an acre.

Catron County

	Farms	Harvested acres
Garlic	-	-
Potatoes	-	-

Cibola County

	Farms	Harvested acres
Cantaloupes	5	6
Garlic	1	(D)
Herbs, Fresh Cut	3	2
Peppers, Chile	5	18
Pumpkins	9	15
Squash, all	9	12
Squash, Summer	9	12
Sweet Corn	43	138
Tomatoes in open	2	(D)
Vegetables, other	1	(D)
Watermelons	10	12

Grant County

	Farms	Harvested acres
Beans, Snap	5	1
Cantaloupes	3	1
Carrots	2	(D)
Cucumbers & Pickles	9	2
Eggplant	2	(D)
Garlic	-	-
Lettuce, all	2	(D)

Lettuce, Leaf	2	(D)	
Okra	3	(Z)	
Onions, Dry	3		1
Peas, Green	-	-	
Peas, Southern	2	(D)	
Peppers, Bell	3		2
Peppers, Chile	2	(D)	
Potatoes	2	(D)	
Pumpkins	-	-	
Squash, all	1	(D)	
Squash, Summer	1	(D)	
Sweet Corn	5		1
Tomatoes in open	8		2
Vegetables, other	1	(D)	
Watermelons	3	(D)	

Fruits (some farmers state that Ag Census data does not fully represent fruit production):

- The region had 46 fruit and nut farms with 109 acres of orchard.

Detailed list of fruit acreage in 2007, as recorded by the Agriculture Census:

Notes: (some farmers state that Ag Census data does not fully represent vegetable production); (D) means data suppressed by USDA to protect confidentiality; (Z) means less than half of an acre.

Catron County

	Farms	Acres	
Almonds	1	(D)	
Apples	3		2
Apricots	1	(D)	
Cherries, Sweet	1	(D)	
Peaches, all	1	(D)	
Pecans	1	(D)	

Cibola County

	Farms	Acres	
Apples	9		5
Apricots	6		3
Grapes	5		5
Peaches, all	5		2
Pears, all	3		3

Grant County

	Farms	Acres	
Apples	16		52

Grapes	4		4
Peaches, all	9	(D)	
Pears, all	8	(D)	
Pecans	7		13
Plums & Prunes	2	(D)	

Detailed list of berry acreage in 2007, as recorded by the Agriculture Census (*if a given county in the region is not listed as producing berries, the county is not named below*):

Grant County

	Farms	Acres
Blackberries	1	(D)
Raspberries	1	(D)

Direct & organic sales:

- 74 ranches and farms sell over \$308,000 of food directly to consumers. This is a 95% increase in the number of farms selling direct (38 in 2002), and a 61% increase in direct sales, from \$182,000 of sales, in 2002.
- Direct sales account for 1.6% of the region’s farm sales, four times the national average.
- The region’s farmers make up 5% of the farms selling direct, and account for 4% of New Mexico’s direct sales (\$11.2 million of direct sales in New Mexico in 2007, and \$6.6 million in 2002).
- The New Mexico Organic Commodity Commission lists 13 certified organic farms in the region, farming 2,507 acres of certified land. Most of this is in Grant County. This totals 8% of New Mexico’s certified farms, and 2% of the state’s certified land.
- According to the Census of Agriculture, 6 of the region’s farms sold organic foods (\$62,000 in sales).
- This is 2% of New Mexico farms (269) the Census of Agriculture lists as selling organic, and 1% of state sales (\$11.2 million).
- Local farm lists show no Community Supported Agriculture (CSA) farms in the region.
- According to the Census of Agriculture, 5 farms market through Community Supported Agriculture (CSA), 4% of New Mexico’s.
- 55 farms produce added-value products on the farm (6% of New Mexico’s).

Conservation practices:

- 232 farms use rotational management or intensive grazing (7% of New Mexico’s).
- 87 farms use conservation practices (4% of New Mexico’s).
- 75 farms generate some electricity on the farm (13% of New Mexico’s).

State of New Mexico Highlights (Agriculture Census 2007)

- New Mexico has 20,930 farms, 38% more than the 15,170 farms in 2002.
- Nevertheless, the number of acres in farms decreased 4%, to 43 million acres in 2007.
- 8,904 farm operators are Latino.
- 6,611 farm operators are Native American.
- The state has 24,214 White farm operators.
- There are 43 Asian-American, 66 African-American, and 26 Pacific Islander farm operators.
- New Mexico farmers sold \$2.2 billion of crops and livestock in 2007, up 28% from \$1.7 billion in sales five years before.
- This includes \$1.6 billion of livestock, and \$553 million in crops.
- The Agriculture Census lists production expenses as \$1.9 billion for all state farms.
- Government payments to farmers decreased 14%, to \$43 million in 2007 from \$50 million in 2002.
- The most prevalent farm size is 1-9 acres, with 6,400 farms.
- The next most prevalent size is 10-49 acres, with 4,300 farms.
- 3,600 farms are more than 1,000 acres.
- New Mexico ranks 9th in the U.S. for dairy sales, with \$1 billion. This is also the most important farm commodity sold in the state, in terms of sales.
- Second most important product in New Mexico is cattle, with \$576 million in sales.
- The state's farms held an inventory of 1.5 million cattle, down from 1.7 million in 1997.
- The most important single crop raised is forage, with \$139 million sold from 366,000 acres.
- 302,000 acres are devoted to wheat production.
- New Mexico farms sell \$105 million of fruits and nuts, and \$89 million of vegetables.

New Mexico's top 25 farm products in 2007 (Economic Research Service)

Note that these ERS data do not always agree with results from the farm census, above. See also chart on next page

1	Dairy products	1,353.8
2	Cattle and calves	951.8
3	Hay	195.4
4	Pecans	96.2
5	Onions	63.4
6	Greenhouse/nursery	62.4
7	Wheat	38.5
8	Cotton	35.0
9	Peppers, chile	32.9
10	Corn	23.9
11	Potatoes	14.3
12	Sorghum grain	9.9
13	Peanuts	7.0
14	Dry beans	6.1
15	Sheep and lambs	5.4
16	Wool	1.3
17	Apples	1.0
18	Honey	0.5
19	Hogs	0.2
20	Mohair	0.2

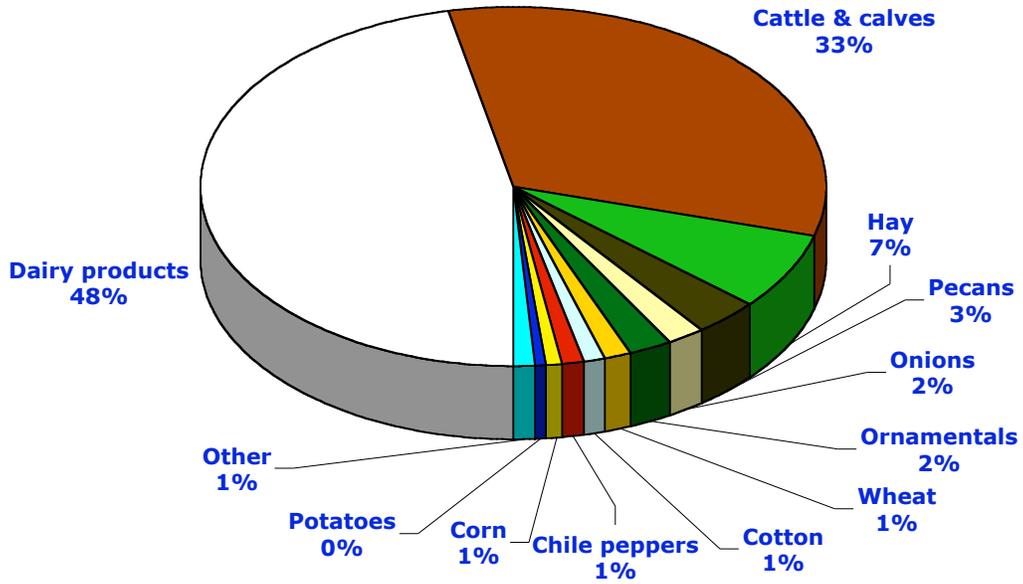
Note: chicken eggs and farm chickens were also listed among New Mexico's top 25 products, but sales figures for these products were not released by ERS.

Note also that at \$11 million, direct sales from farmers to consumers amount to more than the value of the 12th ranking product, sorghum grain.

New Mexico's top 25 farm products in 2007 (Economic Research Service)

See table on previous page

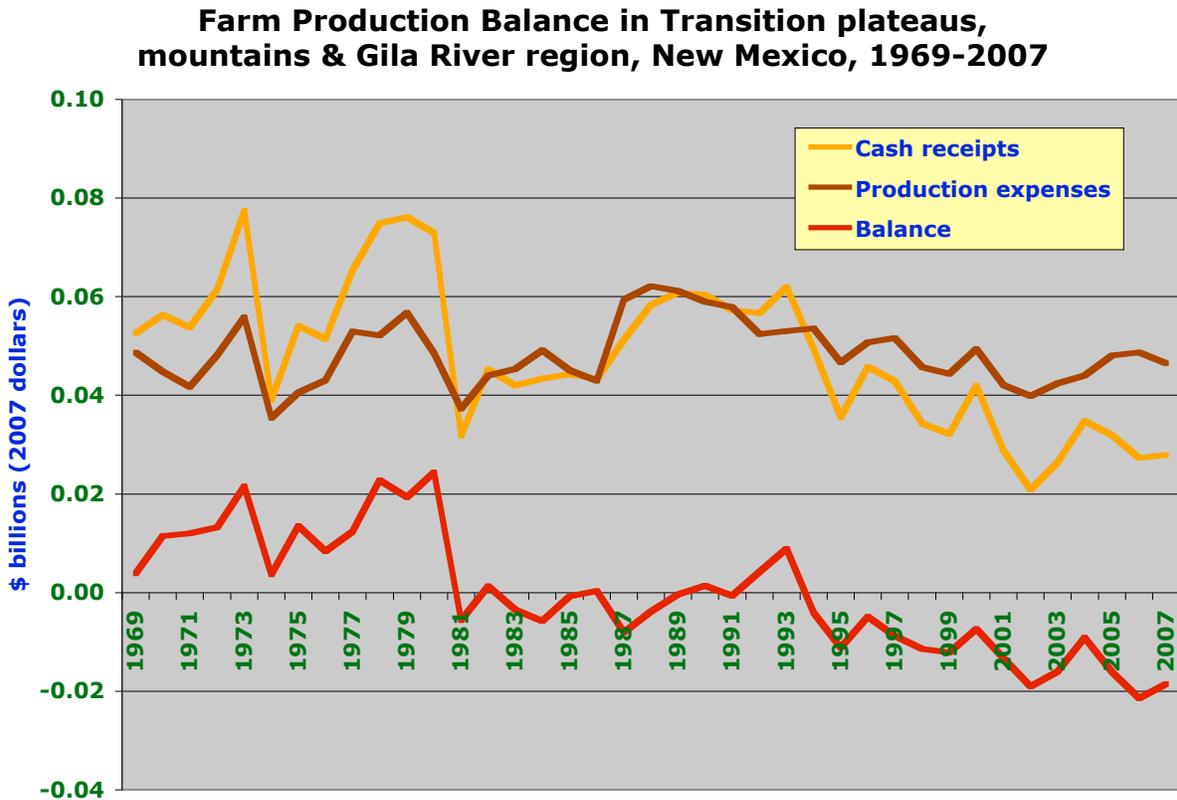
Top 25 commodities sold by New Mexico farms, 2007



Source: USDA Economic Research Service

Balance of Cash Receipts and Production Costs (Bureau of Economic Analysis):

Note: Bureau of Economic Analysis farm income data differ from Agriculture Census data.



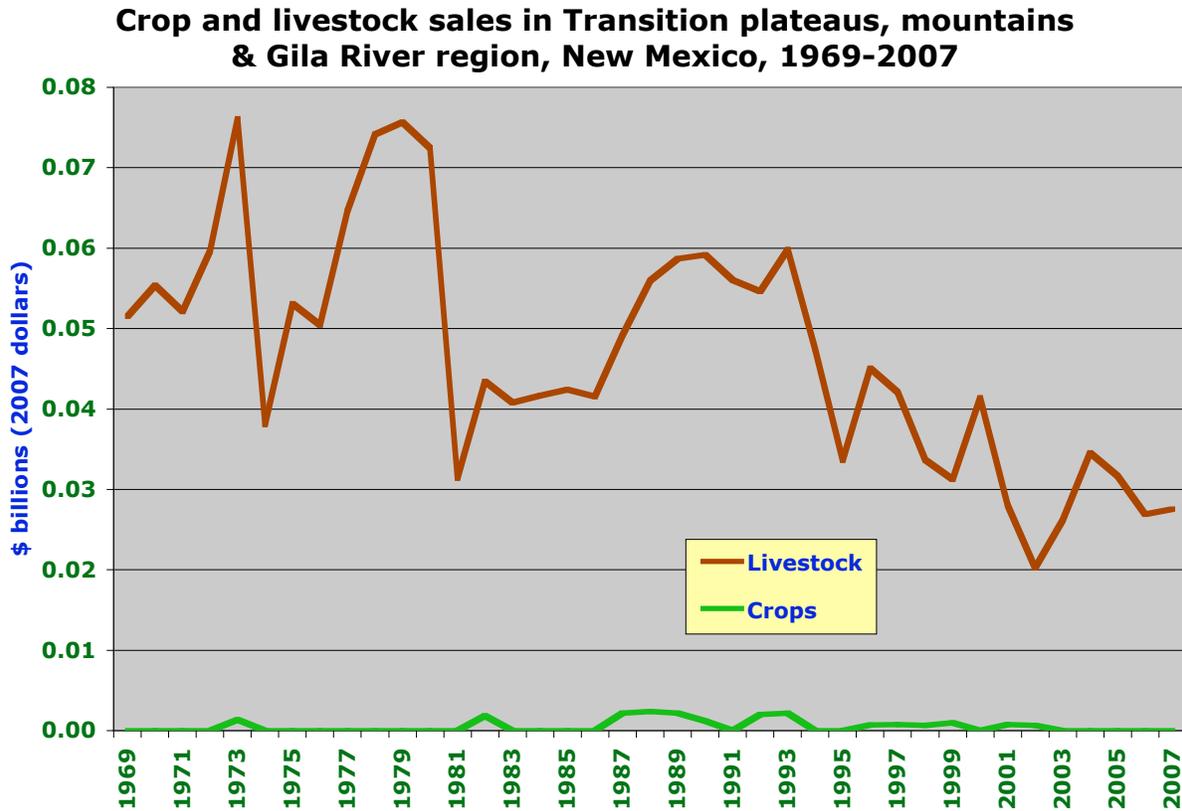
Source: Bureau of Economic Analysis

Gila River region farmers sell \$42 million of commodities per year (1981-2007 average), spending \$49 million to raise them, for an average loss of \$7 million each year. The farm sector as a whole has not earned a positive cash flow from raising commodities (though clearly some individual farms have made money) since 1994.

Overall, farm producers have experienced losses of \$186 million since 1981. Moreover, 70% of the region's farms and ranches reported a net loss in 2007 (Agriculture Census), even after subsidies are taken into account.

Gila River region farmers and ranchers earned \$22 million less by selling commodities in 1969 than they earned in 2007 (in 2007 dollars). Sales of livestock and related products have fallen steadily since 1981, certainly staying far below peak sales of \$400 million in 1979. Crop income is also declining, although data are incomplete. The most steadily increasing cost of production is feed costs, which doubled to \$5 million during the years 2001-2007.

Farmers and ranchers earn another \$3 million per year of farm-related income — primarily rental income for land (27-year average for 1981-2007). Federal farm support payments averaged \$7 million per year from 2001-2006.



Source: Bureau of Economic Analysis. Note that in several years, crop sales data are missing, and reported as zero.

Gila River region consumers (2007):

Gila River region consumers spend \$150 million buying food each year, including \$85 million for home use. Most of this food is produced outside the region. \$308,000 of food products (1.6% of farm cash receipts, and 0.2% of local consumer needs) are sold by 74 farmers directly to consumers, but not always to Gila River region consumers, since these data include internet sales.

Estimated change in net assets for all region households was a combined loss of \$79 million in 2007 alone (BLS). This places additional pressure on Gila River region residents as they pay for food.

Farm and food economy summary:

Farmers lose \$7 million each year producing food commodities, spending \$13 million buying inputs from external suppliers, for a total outflow of \$20 million from the region's economy.

Meanwhile, consumers spend more than \$135 million buying food from outside. Thus, total loss to the region is \$155 million of potential wealth *each year*. This loss amounts to more than eight times the value of all commodities raised in the region.

Gila River region: markets for food eaten at home (2007):

Source: Bureau of Labor Statistics

	<i>millions</i>
Meats, poultry, fish, and eggs	\$ 18
Fruits & vegetables	15
Cereals and bakery products	11
Dairy products	9
“Other,” incl. sweets, fats, & oils	31

If Gila River region consumers purchased only 15% of the food they need for home use directly from region farmers, this would produce \$13 million of new farm income in Gila River region — a substantial share of 2007 farm sales in the region.

State of New Mexico: markets for food eaten at home (2007)

Source: Bureau of Labor Statistics

New Mexicans purchase \$5 billion of food per year, \$2.8 billion of this to eat at home. Home purchases break down in the following way:

	<i>millions</i>
Meats, poultry, fish, and eggs	\$ 620
Fruits & vegetables	518
Cereals and bakery products	358
Dairy products	315
“Other,” incl. sweets, fats, & oils	1,043

Key data sources:

Bureau of Economic Analysis data on farm production balance

<http://www.bea.doc.gov/bea/regional/reis/>

Food consumption estimates from Bureau of Labor Statistics Consumer Expenditure Survey

<http://www.bls.gov/cex/home.htm>

U.S. Census of Agriculture

<http://www.nass.usda.gov/census/>

USDA/Economic Research Service food consumption data:

<http://www.ers.usda.gov/data/foodconsumption/>

USDA/ Economic Research Service farm income data:

<http://ers.usda.gov/Data/FarmIncome/finfidmu.htm>

Centers for Disease Control: Behavior Risk Factors Surveillance System

BRFSS <http://apps.nccd.cdc.gov/brfss-smart/>

National Association of County and City Health Officials (NACCHO)

Big Cities Health Inventory <http://www.naccho.org/>

For more information:

To see results from *Finding Food in Farm Country* studies in other counties of the U.S.:

<http://www.crcworks.org/locales.html>

To read the original *Finding Food in Farm Country* study from Southeast Minnesota (written by Ken Meter and Jon Rosales for the Community Design Center and the Southeast Minnesota Experiment in Rural Cooperation): <http://www.crcworks.org/ff.pdf>

To view a PowerPoint presented in March, 2008, by Ken Meter at Rep. Collin Peterson's (D-MN) Minnesota agricultural forum, called the "Home Grown Economy":

<http://www.crcworks.org/crcppts/petersonKM08.pdf>

To get a brief list of essential food facts, many of which are cited in the presentation above,

<http://www.crcworks.org/foodmarkets.pdf>

To link to further analysis of farm and food economies in the U.S.:

<http://www.crcworks.org/econ.html>

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