## **CFAES**

## **COSHOCTON COUNTY AGRICULTURE & NATURAL RESOURCES**









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David's Final "County Agent" Column Master Gardener State Awards 2023 Pesticide Re-Certification for Coshocton County

When Creating 2023 Crop Budgets – Keep in Mind Family Living Costs

2022 Ohio Soybean Performance Trials

Combine Fire Prevention

2022 Ohio Maple Day

First Large-Scale Solar Energy Project Denied in Ohio

BEEF 509 Returns in 2023

Consider Pasture, Rangeland, and Forage Insurance

Carefully Manage Each of the Forages You Have Ag Economy Barometer

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Hello Coshocton County! Yesterday, I transitioned to a Field Specialist in Farm Management position for OSU Extension. I have enjoyed the last four years serving as your Coshocton County Ag & Natural Resources Extension Educator. Some of my closing thoughts can be found in the enclosed article which was published in The Beacon last week. I look forward to working with many of you in the future—just in a different manner. I can be reached at 740-722-6073 or marrison.2@osu.edu

It is anticipated that applications for the next Ag & NR Extension Educator for Coshocton County will open up over the next week. I will send out a special email announcement to this mailing list when this happens. If you are interested in learning more about the position, please contact Melinda Hill (Area Leader) at hill.14@osu.edu or 330-264-8722.

Our Beginner and Small Farm College will finish next Monday. We have a really nice group enrolled in this class. Lots of great discussion about managing small farms. Details for the 2023 Pesticide and Fertilizer Re-certifications can also be found in this newsletter. Official letters will be mailed the Monday after Thanksgiving to those whose licenses expire in 2023.

I will continue to push out some regional newsletters until the new Educator is hired. I truly have enjoyed writing this newsletter each week for you. Best wishes for continued success.

Sincerely,

## David L. Marrison

Field Specialist - Farm Management

CFAES provides research and related educational programs to clientele on a nondiscriminatory basis. For more information visit:

go.osu.edu/cfaesdiversity.



## David's Final "County Agent" Column

By: David L Marrison

Written for The Beacon Newspaper- Published October 27, 2022

Hello, Coshocton County! During the Coshocton County fair, a bittersweet announcement was shared about my role as the Agricultural & Natural Resources Extension Educator for Coshocton County. Beginning November 1, I will be transitioning to a State Field Specialist in Farm Management for OSU Extension.

In this new capacity, I will have the opportunity to provide education in farm succession and estate planning, tax management, and business planning across Ohio. The decision to transition to this position was not an easy one due to my love of working for and with our Coshocton County ag community.

I will also have the opportunity to work with Ohio State's newly created Farm Financial Management and Policy Institute (FFMPI). Funding from the Ohio Legislature, ag commodity groups, and gracious benefactors has provided a unique opportunity for Ohio State. In short, the institute's mission will be to transform its farm management and ag policy presence to a level which our farmers deserve from a land-grant university.

I have absolutely loved my interactions with our great ag community over the past four years. I won't be going far as I will still live and be based here in Coshocton County. I look forward to continuing to work with many of you in the future, just in a different capacity. As I close out this season here in Coshocton County, I would like to share a few thoughts.

You are not from here: Coshocton County has a reputation for being friendly towards visitors but a bit leery of those who move here that were not born here. Whether this reputation of being slow to warm up to outsiders is warranted or not, I appreciate the way the agricultural community fully embraced me when I moved here. In the past four years, I have experienced a depth of friendship and hospitality that cannot be found in many communities.

I could pen the names of many Coshocton County farmers who have left a lasting impression on me. I have appreciated all the thought provoking talks around kitchen tables, in the fields, at the county fair, and even in the aisles of Auer Ace Hardware. It is farmers like Mike Lower, Alan Brinker, Amy Porteus, Jason Massie, Jim Schumaker, Bob Clark, Bill Daugherty, Chuck Ellis, Nate McNeal, Scott Thomas, and so many more who have made me a better Extension Educator. They each embody the grit, resiliency, and work ethic which has made our agricultural industry so strong.

The View: There are many things for which we in Coshocton County should be thankful. My father-in-law once told me Coshocton County was God's country and there is no place more beautiful to live. Of course, I was skeptical of such a high mark of praise. But the past four years of travels across the county have proven to me that he is right. Countless times I came home from a farm visit and remarked what a beautiful view the farm family had. But then, it seemed like the next farm I visited had a view that was even more spectacular. What a gracious gift that thousands, not a few, get to enjoy.



**Media Gems:** I truly value the print and air space which The Beacon newspaper and WTNS Radio have allowed me to share agricultural management information. Their support of agriculture and the Coshocton County community should never be taken for granted. These entities truly keep the unity in our community. Like the view from the top of our hills, WTNS and The Beacon are part of what makes Coshocton County so special. They are what other communities long for.

**Time and Change:** OSU Extension has had an Educator working for the betterment of our agricultural community since 1919. I am proud to be part of this legacy and am excited about mentoring your next Ag

Educator. OSU Extension will soon be taking applications for my replacement. If you are interested in learning more about the application process or job qualifications, just drop me an email at marrison.2@osu.edu.

Even though it has been over 30 years since I graduated from Ohio State, I still get chills every time I hear Carmen Ohio being sung. Yes, the season's pass and the years will roll. But time and change will surely show, how firm thy friendship O-HI-O." Thank you, Coshocton County for your friendship. Have a good and safe day!

#### Master Gardener State Awards

"Coshocton County Master Gardener Volunteers Win State Project of Year Award and Mike Bechtol from WTNS Selected as State Friend of Master Gardeners"

Ohio State University Extension Master Gardener Volunteers, Educators and staff recently gathered in Cleveland to honor peers, colleagues, and program supporters. The OSUE MGV Awards program was hosted by Cuyahoga County Master Gardener Volunteers.

OSUE MGV Awards are given to those who exemplify excellence in their work with the MGV program. The 2022 awards were presented for the OSUE Outstanding Master Gardener Volunteers with five individuals recognized; OSUE Outstanding Master Gardener Volunteer Coordinators recognizing a staff member and a volunteer coordinator; Friend of the OSUE MGV Program and OSUE Outstanding MGV Projects and Excellence Awards.

The Coshocton County Master Gardener Volunteers were awarded the



**Outstanding Volunteer Master Gardener Volunteer Project for Environmental Horticulture** 

Category for their Fall Foliage and Farm Display. This project was also selected as the Overall Winner for Small Programs.

The Coshocton County Master Gardeners Volunteers are also pleased that Mr. Mike Bechtol from WTNS Radio was selected as one of the three "Friends of the Ohio State University Master Gardener Volunteers Program."

Congratulations to Coshocton County Master Gardeners for their continued excellence.

## 2023 Pesticide Re-Certification for Coshocton County

The Coshocton County Extension office will be hosting two pesticide and fertilizer re-certification sessions this upcoming winter for producers who need to re-new their certifications by March 31, 2023. These sessions will be held on:

#### Wednesday, January 18, 2023

Roscoe Village Visitor's Center -Locke Landing 600 N Whitewoman Street, Coshocton, OH

Pesticide: 8:30 – 11:30 a.m. Fertilizer: 11:30 a.m. – 12:30 p.m.

#### Tuesday, January 24, 2023

Roscoe Village Visitor's Center -Locke Landing 600 N Whitewoman Street, Coshocton, OH

Fertilizer: 5:30 - 6:30 p.m. Pesticide: 6:30 – 9:30 p.m.

The pesticide re-certification cost will be \$10 for Coshocton County residents (\$35 for out of county residents) and the fertilizer re-certification cost will be free for Coshocton County residents (\$10 for out of county residents). Pre-registration is required no later than one week prior to each meeting as space is limited. There are no guarantees that walk-in registrations can be accepted.

If you cannot attend one of these sessions, additional sessions are being offered by our neighboring counties. Additional times and locations around the region can be found at: <a href="https://pested.osu.edu/privaterecertification">https://pested.osu.edu/privaterecertification</a> Please contact the Coshocton County Extension Office at 740-622-2265 for more information.

## When Creating 2023 Crop Budgets - Keep in Mind Family Living Costs

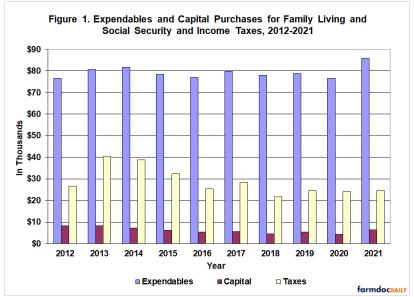
By: Bradley Zwilling

Source: https://farmdocdaily.illinois.edu/wp-content/uploads/2022/10/fdd102122.pdf

In 2021, the total noncapital living expenses of 1,213 farm families enrolled in the Illinois Farm Business Farm Management Association (FBFM) averaged \$85,828—or about \$7,200 a month for each family (Figure 1). This average was about 12 percent higher than in 2020. Another \$6,509 was used to buy capital items such as the personal share of the family automobile, furniture, and household equipment. Thus, the grand total for living expenses averaged \$92,337 for 2021 compared with \$81,026 for 2020, or a \$11,311 increase per family.

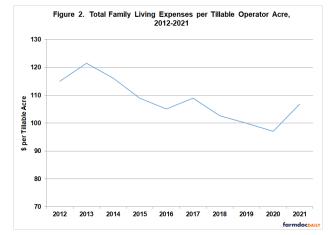
Income and social security tax payments increased 1.8 percent in 2021 compared to the year before. The

amount of income taxes paid in 2021 averaged \$24,654 compared to \$24,214 in 2020. Net nonfarm income increased, averaging \$51,409 in 2021. Net nonfarm income has increased \$14,631, or 39.8 percent in the last ten years. In Figure 2, total family living expenses (expendables plus capital) are divided by tillable operator acres for 2012 to 2021. In 2012, all of the family living costs per acre averaged about \$115 per acre. This increased to \$121 per acres in 2013, but decreased to \$97 per acre in 2020 and then back up to \$107 in 2021. \$108 was the 10vear average of total family living expense per acre. If we compare this to the 10-year average of net farm income per acre of \$517, then 20% of the net farm income per



acre is family living expense. However, that is due to a very high per acre net-farm income in 2021, so if we leave out 2021, then it would be \$139 leading to total family living expenses to be 77% of net farm income per acre. If we look at the average year over year change for the last ten years for family living per acre, the annual change was 0.1% per year. The five-year annual change per year would average 0.5%. Therefore, as you work on your crop budgets, keep in mind that a \$107 per acre family living is equal to a 54 cent per bushel price change on 200 bushels per acre for corn.

When you take total family living expenses minus net nonfarm income this equals \$47 per acre in 2021 and was \$48 per acre for the five-year average. This would be the part of family living that is covered by the farm income. In addition, there is another \$29 per acre in social security and income taxes to be covered by the farm in 2021. The five-year average for these taxes was \$30 per acre. A 24 cent price change on 200 bushels of corn per acre is equal to the 2021 family living cost that would be covered by the farm. If you added the amount of social security and income taxes that would be a 38 cent price change on 200 bushel of corn per acre.



More information about Farm and Family Living Income and Expenditures can be found at: <a href="https://farmdoc.illinois.edu/handbook/farm-and-family-living-income-and-expenses">https://farmdoc.illinois.edu/handbook/farm-and-family-living-income-and-expenses</a>

The author would like to acknowledge that data used in this study comes from farms across the State of Illinois enrolled in Illinois Farm Business Farm Management (FBFM) Association. Without their cooperation, information as comprehensive and accurate as this would not be available for educational purposes. FBFM, which consists of 5,000 plus farmers and 70 professional field staff, is a not-for-profit organization available to all farm operators in Illinois. FBFM field staff provide on-farm counsel with computerized recordkeeping, farm financial management, business entity planning and income tax management. For more information, please contact the State Office located at the University of Illinois Department of Agricultural and Consumer Economics at 217-333-8346 or visit the FBFM website at <a href="https://go.illinois.edu/FBFM2021">www.fbfm.org</a>. A video representation of this and other 2021 results can be found on the farmdoc YouTube channel at <a href="https://go.illinois.edu/FBFM2021">https://go.illinois.edu/FBFM2021</a>

## 2022 Ohio Soybean Performance Trials

By: Laura Lindsey & Allen Geyer

Source: <a href="https://agcrops.osu.edu/newsletter/corn-newsletter/2022-38/2022-ohio-soybean-performance-trials-all-vield-results-available">https://agcrops.osu.edu/newsletter/corn-newsletter/2022-38/2022-ohio-soybean-performance-trials-all-vield-results-available</a>

The purpose of the Ohio Soybean Performance Trials is to evaluate soybean varieties for yield and other agronomic characteristics. This evaluation gives soybean producers comparative information for selecting the best varieties for their unique production systems. A pdf copy of the trial can be downloaded here: <a href="https://stepupsoy.osu.edu/sites/hcs-soy/files/2022">https://stepupsoy.osu.edu/sites/hcs-soy/files/2022</a> OSPT All%20Yield%20Data for%20CORN%20newsletter.pdf In the upcoming weeks, data will also be available for download on the Ohio

Crop Performance Trials website- https://u.osu.edu/perf/ and will include

soybean seed size and quality (protein and oil) information.



Soybean varieties were tested in six Ohio counties- Henry, Sandusky, Mercer, Union, Preble, and Clinton. Yield was greatest in Henry County, averaging 91 and 94 bu/acre for the early and late relative maturity trial, respectively. This location received 8.2 inches of rainfall in August. In Sandusky, Mercer, Preble, and Clinton County, average yield ranged from 67 to 81 bu/acre. However, in Union County, average yield was only 33 and 40 bu/acre for the early and late relative maturity trial, respectively, due to dry weather.

#### **Combine Fire Prevention**

By: Dee Jepsen and Wayne Dellinger

Source: https://agcrops.osu.edu/newsletter/corn-newsletter/2022-38/combine-fire-prevention

Take steps to prevent combine fires! Did you know Ohio ranks 4th in the nation for the number of reported combine fires? Other states leading the list include Minnesota (1st), Iowa (2nd), Illinois (3rd), Kansas (5th), Nebraska (6th) and South Dakota (7th).

While the majority of harvester fires start in the engine compartment, other locations on the combine can be at risk for fires. The primary heat sources causing fires include faulty wiring and over-heated bearings. Fuel sources for the fires can vary between leaking fuel or hydraulic oil, dry crop residues, and nests in engine compartments or exhaust manifolds from birds and wildlife.



#### TIPS TO PREVENT COMBINE FIRES INCLUDE:

Have a daily maintenance plan during the harvest period. Keeping machinery well maintained plays a
large role in preventing fires from these sources. Cleaning up spills, blowing off chaff, leaves, and other
plant materials on a regular basis, proper lubrication of bearings/chains, and checking electrical
connections should be part of the daily routine. Farmers may choose to do their daily maintenance in

the morning while waiting for the dew to burn off the crops. However, performing maintenance at night will highlight any hot-spots or smoldering areas as the machine is cooling down. Removing chaff at the end of the day will reduce the amount of debris available to spark a fire.

- Turn the combine engine off while refueling. By waiting 15 minutes for the engine to completely shut down and cool off, eliminates the chance of gasses to volatilize and ignite.
- Eliminate static electricity. A chain may also be mounted on the bottom of the machine to drag on the ground while in the field. This decreases the buildup of static electricity.

#### IF A FIRE BREAKS OUT, IT'S IMPORTANT TO HAVE AN EMERGENCY PLAN IN PLACE:

- Call 911 or your local first responders at the first sign of a fire. Don't wait to know if you can contain a
  fire yourself, rapid response is important to saving valuable equipment. Combine fires are often in
  remote locations where a specific address may not be available and access is limited. Emergency
  response times will be longer in these situations.
- Have (2) ABC fire extinguishers mounted on the combine.
  - A 10-pound ABC dry chemical fire extinguisher in the cab or near the ladder of the cab is quick access to protect the operator.
  - A second extinguisher (20-pound ABC) is recommended to be mounted on the outside of combines where it is accessible from the ground. It's possible that one unit will extinguish a small fire; having the second unit will help with any additional flare-ups.
  - Don't forget to check that the extinguishers are fully charged at the beginning of the season. If the fire extinguisher has already been used, it needs to be serviced and re-charged by a fire service agency.
- Have a water truck positioned by the field. Hot mufflers and catalytic converters from other vehicles
  driving in the field can pose a risk to the dry field fodder. Smoldering materials may go by 15 to 30
  minutes before being noticed. A small gust of wind could rapidly turn that smoldering into a fire. In
  extreme dry conditions, a water truck may help protect against field fires. Never use water on fires that
  are electrical or fuel-sourced.
- Have an emergency plan in place and discuss it with the other workers or family members. Knowing
  what to do in the event of a fire emergency is important. Knowing the address to the field and how to
  contact fire departments directly instead of through the 911 system are important safety conversations
  for the entire harvest crew.

Fires of the farm cannot be predicted. However, being prepared and taking preventative measures - especially with forage harvesters - can reduce the damage when a fire strikes.

Dee Jepsen, Extension State Safety Leader, can be reached at 614-292-6008 or <u>jepsen.4@osu.edu</u>. Wayne Dellinger, ANR Educator Union County, can be reached at 937-644-8117 or <u>dellinger.6@osu.edu</u>.

## 2022 Ohio Maple Day

Source: https://u.osu.edu/vegnetnews/2022/11/01/2022-ohio-maple-day/

We are fast approaching the date for the 2022 Ohio Maple Day event. Join us on Dec. 10th at Ashland University's John C. Meyer Convocation Center for a jam-packed program on all things maple. Updates on red maple research from both Ohio State's Gabe Karns and the University of Vermont's Proctor Maple Research Center's Abby van den Berg. Add to this other talks on reverse osmosis, marketing, and insects impacting maple trees. A maple-themed lunch and a vendor room that features a variety of maple equipment dealers, consulting foresters, and other associated equipment help round out the day. There are also SAF continuing education credits available for the program. You can register at: <a href="https://woodlandstewards.osu.edu/events/2022-ohio-maple-days">https://woodlandstewards.osu.edu/events/2022-ohio-maple-days</a>

## First Large-Scale Solar Energy Project Denied in Ohio

By: Peggy Kirk Hall, Associate Professor, Agricultural & Resource Law Friday

Source: https://farmoffice.osu.edu/blog/fri-10282022-830am/first-large-scale-solar-energy-project-denied-ohio

Highlighting a continuing trend in opposition to solar energy development across the state, the Ohio Power

Siting Board has for the first time denied the application of a large-scale solar energy project. After a string of 34 OPSB-approved projects since 2018, the Birch Solar 1 project became the board's first denial when the OPSB determined the project would not serve the public interest.

**The proposed project**. The Birch Solar application proposed a 300 MW facility in Allen and Auglaize counties with solar panels on 1,410 acres and a total project area of 2,345 acres. Of the total, 2,132 acres are currently in agricultural use. The project would also include 22.5 miles of gravel access roads, an operations and maintenance building,



underground and aboveground electric collection lines, meteorological towers, weather stations, inverters and transformers, a collector substation, a point of interconnection switchyard, and a 345-kilovolt generation interconnection electric transmission line. A six-foot cedar post perimeter fence would secure the project, evergreen fencing would limit impacts to neighboring viewsheds, and solar panels would be setback a minimum of 300 feet from adjacent non-participating residences and roadways.

**OPSB's review.** The OPSB had the duty of reviewing the project application to determine whether it satisfied the legal criteria in Ohio Revised Code 4906.10(A) for siting a major utility in Ohio. For a solar project, the criteria includes parts (A)(2) through (8):

- 2. The nature of the probable environmental impact;
- 3. That the facility represents the minimum adverse environmental impact, considering the state of available technology and the nature and economics of the various alternatives, and other pertinent considerations;
- 4. That the facility is consistent with regional plans for expansion of the electric power grid of the electric systems serving this state and interconnected utility systems and that the facility will serve the interests of electric system economy and reliability;
- 5. That the facility will comply with Chapters 3704., 3734., and 6111. of the Revised Code and all rules and standards adopted under those chapters and under section 4561.32 of the Revised Code;
- 6. That the facility will serve the public interest, convenience, and necessity:
- 7. What its impact will be on the viability as agricultural land of any land in an existing agricultural district established under Chapter 929. of the Revised Code that is located within the site and alternative site;
- 8. That the facility incorporates maximum feasible water conservation practices as determined by the board, considering available technology and the nature and economics of the various alternatives.

The "public interest" factor and public opposition. OPSB focused most of its analysis of the Birch Solar application on part (A)(6), that the facility "will serve the public interest, convenience, and necessity." The board explained that the question of whether an application serves the public interest "must be examined through a broad lens and in consideration of impacts, local and otherwise, from the Project." The OPSB acknowledged that there can be potential public benefits to a proposed solar facility such as energy generation, economic benefits from employment and tax revenues, air quality and climate improvements, protecting landowner rights, and preserving agricultural land use. But the board stated that it must weigh a project's benefits against its impacts, especially impacts to those living near it. To do so, the board reviewed the application, evidence, and comments on Birch Solar and identified a primary concern: uniform and consistent public opposition to the project.

The two counties and four townships where Birch Solar would locate all opposed the project. Acting under new legal authority granted by Ohio's legislature last year, Auglaize County has restricted large-scale solar development in all incorporated parts of the county and Allen County has established most of the county as restricted from solar development. The Birch Solar application is unaffected by the designations since it was in

process and grandfathered in before the new law, but OPSB noted that had the new law been in place, the county restrictions would have prohibited the project.

OPSB also reviewed evidence submitted by Allen County officials stating that there would be 1,278 residences, four schools, and six churches within one mile of Birch Solar's project area, and that the residents shared concerns about the project's lack of dedicated local power; its impact on land use, property values, drinking water, groundwater, drainage, and roadways; its decommissioning plan; and negotiations on distributing "payment in lieu of taxes" revenue to local governments.

Of the hundreds of public comments submitted on the Birch Solar application, OPSB determined that approximately 80% of the comments were in opposition to the project and that opposition reasons were similar to those raised by the local governments. Birch Solar argued that it had agreed to 40 stipulated conditions that would address opposition concerns and had offered to make "good neighbor" payments of \$10--\$50,000 and property value adjustments to adjacent landowners. Even so, the OPSB concluded that Birch Solar would not serve the public interest, convenience, and necessity requirement because of "unanimous and consistent opposition to the Project by the government entities whose constituents are impacted by the Project."

What's next? The battle may not be over. Birch Solar has the right to request a rehearing and reconsideration of its application within 30 days of the OPSB decision. For now, the board's denial of the project might invigorate opposition groups that have formed in areas where projects are proposed. But note that on the same day OPSB denied Birch Solar, it approved Pleasant Prairie Solar in Franklin County, a 250 MW facility with a 2,400 acre project area and Harvey Solar, a 350 MW project of 2,630 acres in Licking County. And 15 more projects totaling 3,266 MW are currently pending before the OPSB. Whether local opposition will prohibit any of those projects is an issue we'll be watching.

Read more about the Birch Solar project in the OPSB case docket at <a href="https://opsb.ohio.gov/cases/20-1605-el-bgn">https://opsb.ohio.gov/cases/20-1605-el-bgn</a>.

#### BEEF 509 Returns in 2023

Source: https://u.osu.edu/beef/2022/10/26/beef-509-returns-in-2023-registration-now-open/

The long-running BEEF 509 program, hosted by the Ohio Cattlemen's Foundation (OCF), will be back in 2023. This educational opportunity will be held on Feb. 25 and March 4 and will be co-hosted by the Ohio State University (OSU) Meat Science Extension and sponsored by the Ohio Beef Council (OBC). BEEF 509 is an educational program designed to teach cattle producers about the food side of their business and how to utilize best management practices to improve beef quality and enhance profitability while learning about value within the beef chain.

It is designed for beef cattle producers, allied industry personnel including chefs and beef salespersons, veterinarians, teachers, Extension personnel and college students to learn more about the value of beef. Program participants learn about the importance of producing a more consistent and high-quality beef product through a series of hands-on lessons presented by various meat science faculty, staff and graduate students. Participants are divided into teams, taught live animal evaluation, grid pricing systems, allowed to select live cattle through an "auction-like" setting and then follow those cattle through harvest, grading and a hands-on cutting session which provides participants with the opportunity to experience first-hand the differences encountered in carcass composition. The resulting information is then evaluated in terms of the value differences calculated between animals and how that translates back to value differences in the live animals that are not typically relayed to the producer under a traditional beef marketing scenario.

Topics for the event will include live cattle evaluation, beef harvesting procedures & innovations, carcass aging, grid pricing, beef industry updates, taste panel & shear force evaluation, genetic & environmental carcass merit factors, beef carcass grading & fabrication, live carcass & boxed-beef valuations and a Beef Quality Assurance certification will be earned.

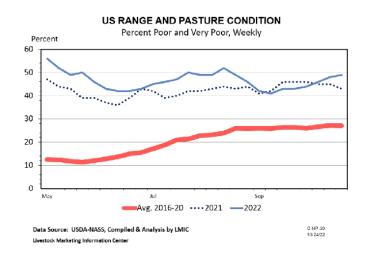
A maximum of 30 program spaces will be available on a first-come, first-served basis. BEEF 509 will be held on consecutive Saturdays and it will be critical to attend each Saturday as participants will be assigned to teams that will work together for both days of the program. The live animal evaluation, grid pricing discussion and auction will take place on the first Saturday. Carcass grading and fabrication are among the activities planned for the second Saturday.

The program will run from approximately 8:30 a.m. to 7:00 p.m. each Saturday and will take place at the OSU Animal Sciences Building located at 2029 Fyffe Road, Columbus, Ohio 43210. Registration is \$175 per person and the deadline to register is Jan. 5, 2023. For more information or to register for BEEF 509 visit www.ohiocattle.org/foundation or contact the OCF office at 614-873-6736.

### Consider Pasture, Rangeland and Forage Insurance

By: Dr. Kenny Burdine, Extension Professor, Livestock Marketing, University of Kentucky Source: <a href="https://u.osu.edu/beef/2022/11/02/consider-pasture-rangeland-and-forage-insurance-as-a-risk-management-tool/">https://u.osu.edu/beef/2022/11/02/consider-pasture-rangeland-and-forage-insurance-as-a-risk-management-tool/</a>

The most recent drought monitor, released on October 27th, shows the majority of the United States dealing with drought or abnormally dry conditions. While I hope some of those regions received some much needed rain recently. I do think this presents an opportunity to discuss Pasture, Rangeland, and Forage (PRF) Insurance. PRF insurance provides an opportunity for producers to purchase rainfall coverage for perennial forages used for pasture and / or hay production. James provided an introduction to PRF insurance in the April 11 and May 2 newsletters. Since James went through PRF insurance in detail back in the spring, I am just going to focus on three reminders for producers as they consider PRF insurance for the upcoming year.



#### PRF is a Single-Peril Index Insurance Product

Producers first need to understand that indemnities from PRF are not based on rainfall at their farm, but rather on actual and historical rainfall for a 0.25 degree latitude by 0.25 degree longitude grid, where their farm is located. Daily rainfall for each grid is collected through NOAA weather stations and used by the program. Certainly, there should be a correlation between rainfall amounts for a given grid and farms located on those grids, but variability will exist. This variability creates a type of "basis" risk that isn't that different than an insurance product like Livestock Risk Protection Insurance, which pays based on changes in the CME© Feeder Cattle Index, rather than local prices. It is also important to understand that PRF insurance does not protect against extremely high rainfall levels, or any other challenge that might impact forage production. It simply provides coverage for less than normal rainfall levels over 2 month periods during the year.

#### The Premium Subsidy for PRF is Significant

The premium subsidy levels for LRP depend on the level of coverage that is selected, but exceed 50% in all cases. The USDA Risk Management Agency (USDA-RMA) has intended for this to be relatively affordable so that farmers will be more likely to utilize it. While indemnities may not be received in a given year, the subsidy levels suggest that indemnities should exceed premium levels over a large number of years. Given this, producers may want to consider scaling the coverage upward to increase the base value per acre they are insuring. Base values per acre can be increased by up to 150% by increasing the productivity factor.

#### **Multiple Approaches are Possible for Covered Months**

Finally, I think it is important that producers give some thought to the months they want to cover. Producers must select coverage in a minimum of two, two-month periods and can place no more than 60% of their coverage value in any single two-month interval. A month also may not be double-covered. For example, one cannot cover the June-July interval and the July-August interval, because August is double-covered. However, one could put up to 60% of the value in a two month interval that included August.

A logical approach would be to cover months in which rainfall and forage productivity are of the most concern. For example, someone may choose to cover June-July and August-September, if they are concerned about the summer months. A producer who is highly dependent on fall pasture growth to stockpile forage may choose to stretch coverage into the fall months. Producers should also discuss this with their insurance agent as they are likely to have valuable insights as well. Most importantly, producers should give this some thought and be deliberate about this decision.

While no insurance product is perfect, PRF insurance does provide producers with a relatively inexpensive opportunity to get some protection against less than normal rainfall levels. Producers have until December 1st to sign up for coverage for the 2023 calendar year, so the time is right to be thinking about it. In addition to talking with your insurance agent, a great deal of information can be found on the PRF page of the USDA-RMA website at: https://www.rma.usda.gov/en/Policy-and-Procedure/Insurance-Plans/Pasture-Rangeland-Forage

## Carefully Manage Each of the Forages You Have

By: Victor Shelton, Retired NRCS Agronomist/Grazing Specialist

Source: https://u.osu.edu/beef/2022/11/02/carefully-manage-each-of-the-forages-you-have/

Whether we like it or not, weather has a significant impact on forages and forage-based systems and most life. I won't revisit this year's weather, except to just say that rainfall does guite often balance itself out. That doesn't

mean it would be the way we prefer it, but wet spells are usually eventually balanced out with dry spells and that is what happened in my neck of the woods this year. While the extremely dry autumn created one of the most perfect harvesting seasons we've seen in a while, it wasn't as perfect for fall forage growth.

Dry weather kind of has a way of sneaking up on you. I was enjoying the ability to get some things done without interruptions of rain and realized at one point – hey, it's getting pretty dry! October is normally still a decent forage growth month though the rate is certainly slower. When it is exceptionally dry new growth pretty much comes to a screeching halt and that is what happened this fall.

I saw the forage growth slowing down, but with ample green forage still present I assumed incorrectly that there was still some growth. The last few allocations of forage were not bouncing back and instead seemed to be standing still. Continuing to graze could possibly mean two things – the last grazing of the year and reduced spring growth.

Droughty weather in the fall can put forages into a dormant state. This is very similar to the dormant state that we want post several nights of very cold weather indicating the true end of the growing season. Once dormant, livestock can graze stockpiled forage without the concern of tapping into plant root energy reserves that will be needed for overwintering and spring growth. Dormancy cause by drought is not as clear cut as the freezing dormancy, though, and can be easily interrupted with the return of sufficient moisture.

I've mentioned in the past that it wasn't a crime to feed some hay in August to prevent overgrazing of pastures until rains returned. That same scenario can also work in the fall. Let's think about this for a moment. You could continue to graze drought induced dormant forage, but if sufficient moisture is present and regrowth does occur, then that regrowth should be left alone until the "freezing" dormancy is complete before grazing it again. If not, there is the risk of tapping into root energy reserves that need to be left in that bank account.

You could also remove the livestock from the pasture and feed hay and wait for the freezing dormancy before initiating grazing again. You could also possibly feed hay on pasture to supplement existing forage, but the hay will have to be better than existing forage to get them to slow down the grazing and avoid overgrazing. The main advantage of feeding in the field is the ability to put nutrients back where they can be utilized next season instead of where they will have to be hauled. I chose, at least for the time being, to feed hay in the dry lot.

The stockpiled forage isn't going anywhere and is just "standing hay." The cows are content and will be delighted to return to graze in a short while with possibly a little more growth available with some rain. That said – if you have any annuals or corn residue that can be grazed, that also allows for the same deferment of the pastures until later. Every day the livestock are out ingesting some corn residue, they are not grazing forages that could be used later after corn residue has lost its merit.

Corn residues normally are best utilized within 60 days of harvest and also allocated out in portions to reduce waste. In general, corn stalks have a crude protein value of about 8 percent and a total digestible nutrient value of about 70 percent. The nutritional value falls over time to about 5 percent crude protein and to about 40 percent digestibility. This reduction can be two-fold. First, if livestock are not managed in such a way to allocate the residue out over time, they will eat their dessert first which is the most palatable, and leave the broccoli for later. Second, nutrient content decreases over time as the residue weathers and soluble nutrients leach out. Stalks are best utilized for spring calving cows due to lack of sufficient energy for lactating or growing animals, especially over time, unless winter annuals or brassicas have been added.

As a rough estimate, corn stalks should be stocked at the rate of 1,000 pounds live weight per acre per 30 days. Though it can vary a lot, most corn produces about 56 pounds of residue per bushel. So, a 200 bushel corn crop should yield about 11,000 pounds of residue. Of that residue, about 40 percent is leaf and husk, the part that is most readily consumed. So in this example, there are about 4,400 pounds of desirable grazable fodder available or about 75 animal unit days at 50 percent harvest efficiency; and yes, they are going to waste some. One animal unit, which is 1,000 pound live weight, will consume about 3 percent of their weight in dry matter per day or roughly 30 pounds of fodder. You can do your own math from there using your livestock numbers and acres that can be grazed. Certainly, if annuals are also part of the picture, then there is even more available.

Crop residue should be tested for nitrates if there was crop failure or chance that applied nitrogen was not normally utilized. Livestock water should also be readily available and ideally moved with the livestock to new allocations of stalks.

If by chance there is very much johnsongrass present in the corn field, be aware that johnsongrass produces a cyanide compound when frosted and during droughty periods causing the production of the prussic acid. This forage should be brown dry after freezing before grazing. Regrowth from the base of the plant after a frost can also be very high in prussic acid. If in doubt about nitrates or prussic acid, test before grazing!

Lastly, it is important to know how much forage, stockpiled forage, stalks, hay and other feed stuff is available for this winter. Weigh this against what is going to be needed for all the ruminant livestock on the farm. Do you have enough feed items until spring? Remember, on average, most ruminant livestock will utilize at least 3 percent of their body weight in dry matter per day (1,000 pound cow = 30 pounds of dry hay, not adjusted for moisture).

If you are short on forages and stored feed for this winter then now is the time to think about animal numbers. Do you have some that could or need to be culled? The quicker those animals leave the farm the better. There is a good price upswing possible that might justify finding extra hay if that is the game you want to play. Remember, it's not about maximizing a grazing event, but maximizing a grazing season! Keep on grazing!



# Ag Economy Barometer Declines Again, Producers Express Concern About Interest Rate Policy

November 1, 2022 | James Mintert and Michael Langemeier, Purdue Center for Commercial Agriculture

Farmer sentiment weakened again in October as the *Purdue University-CME Group Ag Economy Barometer* fell to a reading of 102, down 10 points compared to a month earlier. Both of the barometer's sub-indices, the *Index of Current Conditions* and the *Index of Future Expectations*, declined this month. The *Current Conditions Index* dipped 8 points to a reading of 101 while the *Future Expectations Index* dropped 11 points to a reading of 102. When the barometer survey was launched in October 2015 estimates from the fourth quarter of 2015 and first quarter of 2016 served as the barometer's base period and the average *Ag Economy Barometer* index value over those two quarters was 100. This month's survey results suggest that farmer sentiment is on par with that of late 2015 and early 2016. The comparison is interesting because this year's weakness in farmer sentiment is taking place despite very strong net farm income compared to the earlier period. USDA estimates indicate that U.S. inflation adjusted net farm income averaged across 2021 and 2022 is more than 40% above the 2015-2016 average. The *Purdue University-CME Group Ag Economy Barometer* sentiment index is calculated each month from 400 U.S. agricultural producers' responses to a telephone survey. This month's survey was conducted from October 10-14, 2022.

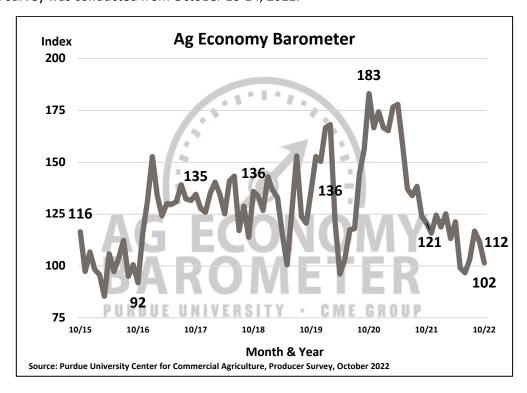


Figure 1. Purdue/CME Group Ag Economy Barometer, October 2015-October 2022.













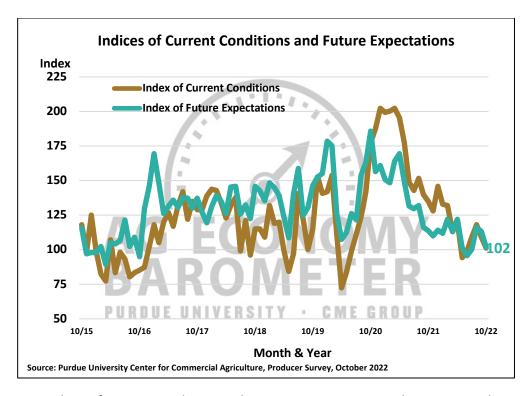


Figure 2. Indices of Current Conditions and Future Expectations, October 2015-October 2022.

Concerns about their farm's financial performance was one of the drivers of weakening sentiment among producers. The *Farm Financial Performance Index* fell 13 points this month to 86. This month's weaker financial performance reading is a distillation of producers' concerns about high input costs combined with weaker commodity prices. Challenging shipping conditions throughout the Mississippi river valley have hampered exports recently and the corresponding widespread weakening of corn and soybean basis levels might be contributing to heightened concerns about financial performance. Looking ahead to next year, over 40% of producers in the October survey view high input costs as their top concern followed by rising interest rates which was chosen by 21% of respondents. This month the percentage of producers choosing lower output prices as a top concern rose to 13%, matching the percentage of producers who chose input availability as a major concern.







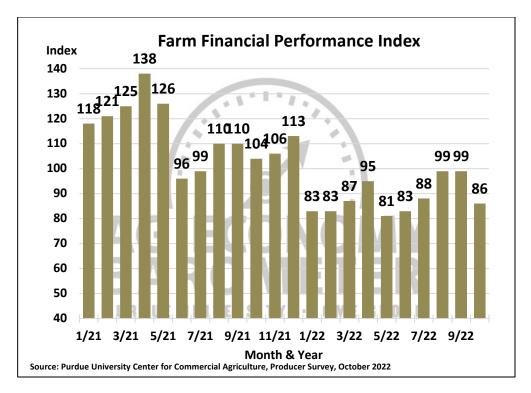


Figure 3. Farm Financial Performance Index, April 2018-October 2022.

After dipping to a new record low last month, the *Farm Capital Investment Index* improved this month to a reading of 38. The rise in the investment index was driven by a reduction in the percentage of producers who said now is a bad time to make large investments. Despite the index's modest rise in October, the investment index remains mired near its all-time low. Once again, a follow-up question posed to producers who view this as a bad time for large investments revealed that increasing prices for farm machinery and new construction (40% of respondents) was the primary reason for the negative outlook. However, that was down from 49% who chose high prices two months ago as their top concern with rising interest rates (20%) and uncertainty about farm profitability (17%) coming in second and third, respectively.





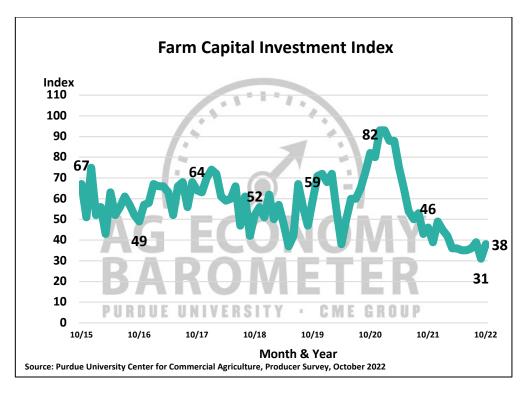


Figure 4. Farm Capital Investment Index, October 2015-October 2022.

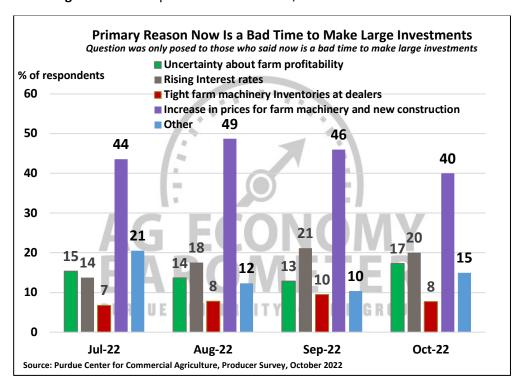
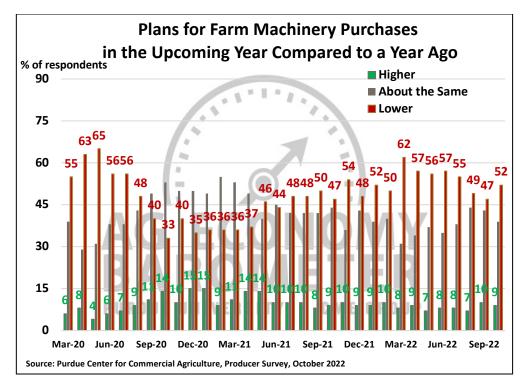


Figure 5. Why Is Now a Bad Time to Make Large Investments?, July-October 2022.







**Figure 6.** Plans for Farm Machinery Purchases in the Upcoming Year Compared to a Year Ago, March 2020-October 2022.

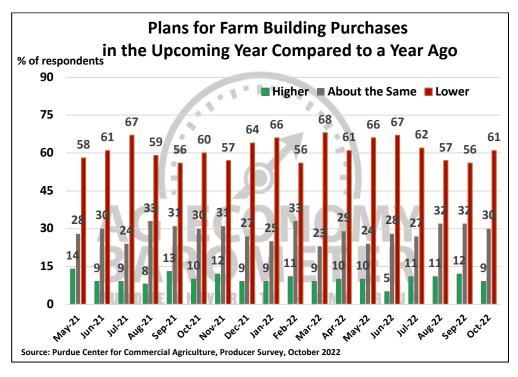


Figure 7. Plans for Constructing New Farm Buildings and Grain Bins, May 2021-October 2022.





Both the short and long-term farmland value indices rose this month. The *Short-Term Farmland Value Expectation Index* rose 10 points to a reading of 133 while the *Long-Term Farmland Value Index* rose 5 points to 144. Strength in both indices comes on the heels of reports from farmland auctions around the Corn Belt that land values are setting new record highs again this fall. The short-term index rose in October primarily because more respondents said they expect values to rise over the next year whereas the shift in the long-term index was primarily the result of fewer producers saying they expect values to decline over the next year. A shift in perspective regarding the drivers of farmland values occurred this month among respondents who said they expect values to rise over the next five years. Notably, fewer farmers chose non-farm investor demand as the primary reason they expect values to rise while more farmers chose inflation as a reason that they expect to see values rise. Even with this month's rise both indices remain weaker than a year earlier. The short-term index this month was 15% lower than in October 2021 while the long-term index was 11% below a year ago.

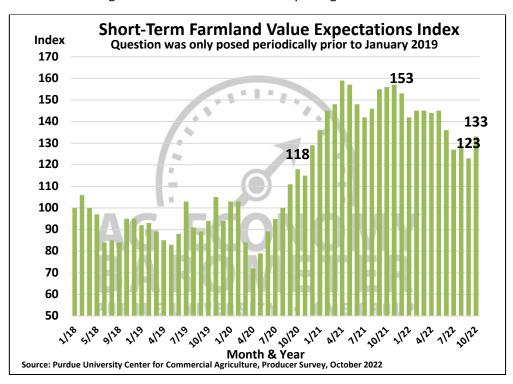


Figure 8. Short-Term Farmland Value Expectations Index, January 2018-October 2022.







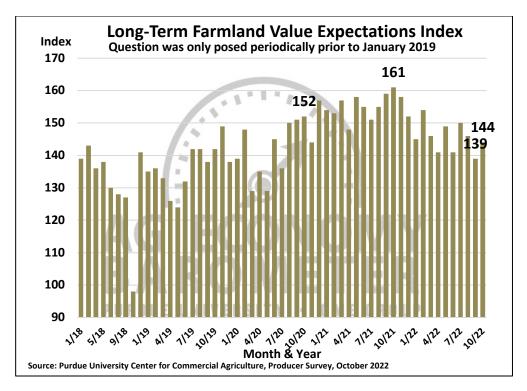


Figure 9. Long-Term Farmland Value Expectations Index, January 2018-October 2022.

Farm policy discussions are underway around the nation as Congress prepares for debate on a new Farm Bill in 2023. As a result, several farm policy related questions were included in this month's barometer survey and posed to crop producers. Crop producers were asked which two policies or programs would be most important to their farm in the upcoming five years. The top choice was interest rate policy (36% of respondents) followed by crop insurance program (27% of respondents). Environmental policy was chosen by 16% of crop producers with conservation policy (11%) and climate policy (10%) in a near dead heat. When asked how effective the current ARC-County and Price Loss Coverage (PLC) programs are at providing a financial safety net, 72% of respondents rated the two programs as either "somewhat" (61%) or "very effective" (11%). When the same question was posed relative to crop insurance, 84% of respondents rated it as either "somewhat" (56%) or "very effective" (28%).





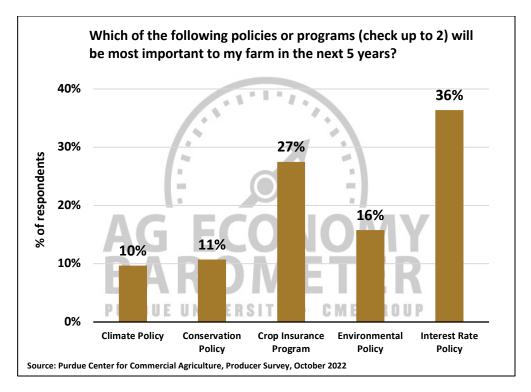


Figure 10. Policies Expected to Be Most Important to My Farm in the Next 5 Years, October 2022.

#### **Wrapping Up**

Farmer sentiment declined again in October with the *Ag Economy Barometer* falling 10 points to a reading of 102. Producers were less optimistic about both current conditions on their farms as well their expectations for the future. This month's weakness in farmer sentiment pushes the index back near levels observed in late 2015 and early 2016 when farm income was sharply lower than it has been the last two years. Producers are concerned about their farms' financial performance, highlighted by issues surrounding both the cost and availability of key inputs. Although fewer producers this month said they view now as a bad time to make large investments, which helped push the *Farm Capital Investment Index* higher, the index remains at a weak level with the cost of new machinery a major concern. Despite the weakness exhibited in farmer sentiment, both the short and long-term farmland value indices rose this month. Among farmers who expect farmland values to rise, more of them cited inflation as a reason for values to rise than in prior months. Finally, producers are concerned about the impact U.S. interest rate policy will have on their farms and the ag economy with over one-third of crop producers choosing it as the most important policy issue for their farming operation.

