IMPORTANCE OF AGRICULTURAL IN RURAL COMMUNITIES

According to the 2012 Ag Census Monroe County had 592 farms with 195,115 acres of land in production. These farmland and buildings were valued at $618,722,228. Adding in machinery added value in the country of $56,375,000. Agriculture products sold in Monroe County grossed $58,952,000.

When you think of the sales taxes that are raid by farmers paying for goods and services in a community and the property taxes they pay, it is not hard to see how valuable they are in supporting community services and school systems. How that money they churn through other businesses such as seed dealers, feed sales, fertilizer companies, fuel sales, equipment dealers, auto sales, parts suppliers, restaurants, banks, etc. compounds many times the profits that they make. Let us not forget that the non-profits such as school activities, churches, 4H, Scouts and other organizations also benefit.

There is currently a down-turn in the agriculture economy, but this doesn’t just effect farmers, it effects the whole community. There is a symbiotic relationship between agriculture and the communities it resides in. When one suffers the other suffers, when one prospers the other prospers. Agriculture will improve to more prosperous times and along with it so will the agriculture communities. For more information please visit http://www.nass.usda.gov/Statistics_by_State/Iowa/2016_CALENDAR-GUESTS-OF-THE-GARDEN

AMES, Iowa—Gardens are wonderful places to explore and relax. But how many other creatures are enjoying the garden’s beauty and produce? Each month, the Iowa State University Extension and Outreach’s 2016 Garden Calendar captivates with images of visiting guests of the garden. https://store.extension.iastate.edu/Product/2016-Garden-Calendar-Guests-of-the-Garden

“Trees, shrubs, perennials and annuals provide food and shelter for wildlife, insects and other creatures. A nearby stream, garden pond or birdbath are sources of water. Consider leaving a part of the yard in natural state to attract bees, butterflies and other guests. Also, limit the use of pesticides,” Jauron said. The large calendar grid offers space to plan and take notes on planting, plant growth, problems, harvest totals and other information. Tracking garden progress and recording invited or uninvited garden guests is fun and helpful. Gardening tips for the experienced gardener and novice provide reminders for a healthy and productive garden. Inside the calendar, 100 Iowa State University Extension and Outreach county office phone numbers and locations are listed to easily request help from ISU Extension and Outreach horticulture experts and resources. Cost for this years calendar is $7 each.
FARMLAND VALUES FALL FOR SECOND CONSECUTIVE YEAR
AMES, Iowa—Average Iowa farmland value is now estimated to be $7,633 per acre—having dropped in value for the Second consecutive year. Per acre value declined $310, or 3.9 percent, since last year’s survey. Farmland values have now fallen almost 13 percent from the historically high 2013 values. Land values were determined by the 2015 Iowa Land Valley Survey, which was conducted in November by the Center for Agricultural and Rural Development at Iowa State University and Iowa State University Extension and Outreach. Results from the survey are similar to results by the U.S. Department of Agriculture, the Federal Reserve Bank of Chicago and the Realtors Land Institute.

The $7,633 per acre, and 3.9 percent drop in value, represents the state as a whole, although values are also determined by crop reporting districts (district hereafter) and each of Iowa’s 99 counties individually according to low-, medium-, and high quality farmland ratings.

Farmland values it a historic peak of $8,716 per acre in 2013, but declined 8.9 percent to $7,943 the following year. The drop in value this year marks the third time values have fallen since 2009. The 3.9 percent decline may seem less than what many people speculated, but according to Wendong Zhang, Assistant Professor of Economics at Iowa State University who led the survey this year, this is not out of line due to a mix of factors, including a lot of cash in hand for many farmers, market expectation of this decline early on, robust livestock returns, and strong recreational demand. The complete report can be found at www.extension.iastate.edu/article/farmland-values-fall-second-consecutive-year

VARIETY TRIALS: CROP TESTING RESULTS
Iowa corn, soybeans, www.croptesting.iastate.edu/
Minnesota all crops, www.maes.umn.edu/publicatons/field-crop-trials
North Dakota all crops, www.ag.ndsu.edu/varietytrials
South Dakota all crops, www.sdstate.edu/ps/extension/cpt.cfm
wheat, www.coolbean.info/small_grains/variety_trial_results_small_grains.php
oats, no trial results available for 2015

Operation ReLeaf: The best tree sale ever!

Get high-quality landscaping trees for only $25 each at our popular Operation ReLeaf event. By planting these three- to eight-foot trees strategically on your property, you can lower your heating and cooling costs. Starting in April, these eight Iowa counties will be participating: Keokuk, Marion, Linn, Union and Wapello.

You don’t have to reside in the distribution county to purchase trees, but you do have to be an Alliant Energy residential customer in Iowa. Also, you must be willing to pick up your tree(s) on the distribution day in your designated location. There is a limit of two trees per household. Advance payment and reservation is required.

For tree varieties, distribution dates and locations, and to reserve your trees, visit alliantenergy.com/releaf or contact the Iowa Department of Natural Resources at (515) 725-8456.
BEST ROCK SALT AND ICE MELTS REVIEW

Use Consumer Reports’ five steps for smarter, safer deicing Full report www.consumerreports.org/cro/2014/02/best-ice-melts/index.htm

While snow blowers and shovels are pretty simple to use, as with so many other products, choosing the right one from among the myriad choices can be confusing. The same thing goes for ice melt, also known as rock salt, snow melt, deicer, and a few other monikers. That’s where the Consumer Reports ice-melt guide will come in handy. Based on input from experts nationwide, we’ll help you figure out which product to buy for deicing all around your house, keeping your family and pets safe without damaging your driveway, walkways, steps, and even your yard.

We looked at widely sold ice melts: calcium chloride, calcium magnesium acetate, magnesium chloride, potassium chloride, sodium chloride (rock salt), and urea (carbonyl diamide). Home centers, hardware stores, supermarkets, and other retailers carry some or all of these ice melts, and you’ll also find them at specialty stores—pet stores, in particular—on online.

You can use most of them at home, though calcium magnesium acetate is intended only for heavy-duty commercial use. As you’ll see in our ice-melt comparison, there are pros and cons to each. (Download a PDF of the chart at www.consumerreports.org/content/dam/cro/news_articles/home_garden/CRO_home_IceMeltChart_2-4.pdf) One thing to keep in mind: you’d be wise to stock up and always store unused deicer in an airtight container or heavy-duty trash can out of reach of children and pets.

SMART MARKETING STRATEGIES: 2015 CORN & SOYBEAN CROPS

AMES, Iowa – The latest in a series of Iowa State University Extension and Outreach videos on crop marketing explores how producers can obtain the best for their crops using different storage and pricing strategies.

In “Five Grain Marketing Strategies & Tools for the 2015 Crop,” Steve Johnson, farm management specialist with ISU Extension and Outreach, describes how corn and soybean prices fared at a north central Iowa terminal elevator over a 25 year period. The greatest average return for corn was to store after harvest on the farm unpriced, which gives farmers the ability to hold their grain and sell at a higher cash price the following July.

“On-farm storage always beats commercial storage because commercial storage is more than twice as expensive,” he said. “But in some years, even storing bushels on-farm unpriced wasn’t the most profitable strategy.” He recommends that farmers consider incorporating other marketing tools because selling crops at the highest price doesn’t always mean that they will generate the most return given the costs associated with storage.

For soybeans, the most profitable route was a basis contract, which yielded a slightly better average price than storing the crops on-farm unpriced. (Basis is the difference between the daily local cash price and the nearby futures price on the Chicago Board of Trade.)

Johnson’s source was a study of cash prices at a north central Iowa terminal grain elevator compiled by Farm Futures magazine. Terminal elevators receive grain after it has been inspected and weighed at other terminals and then transfer the grain to another processor, often the final destination.

The video highlights a study comparison for both on-farm and commercial storage of corn and soybeans unpriced from harvest until July. Four marketing strategies and tools are compared to measure net profit or loss: 1) storage hedge using July futures; 2) store and buy a July put option; 3) a minimum price contract (sell and buy a July call option); and 4) a basis contract (see and buy a July futures contract).

Other crop marketing strategies and tools are explained in further depth in a series of 12 instructional videos available at https://www.extension.iastate.edu/agdm/info/icc.html. They range from four to 16 minutes in length, and include everything from an introduction to crop marketing to futures hedging. The video series was developed as part of the Iowa Commodity Challenge in partnership with the Iowa Farm Bureau. This includes an online market simulation game to learn risk management tools such as futures and other options. Participants market 75,000 bushels of corn and 25,000 bushels stored at a central Iowa elevator. All marketing actions must be completed by March 9, 2016 when the net cash price minus commercial storage costs will be determined. For more information about the Iowa Commodity Challenge, link to the site at www.tinyurl.com/IowaLearn.
CATTLE MARKETING AND PRICE RISK MANAGEMENT

Cattle producers face a great deal of risk, not only in production but also in pricing. Managing price risk is not the same as getting the highest market price. There are several reasons why a producer would be interested in taking steps to reduce price risk and uncertainty. These reasons are influenced by the enterprise combination, cash flow needs and financial situation, as well as one’s personality and attitude toward risk.

The first is to reduce the variability of income over time. This allows more accurate planning for items such as debt payment, family living expenses and operation growth. Second, there may be a need to ensure some minimum income level to meet family living expenses and other fixed expenses. A third reason for minimizing price risk is to enhance the survival of the operation. Making a business judgment on how much loss a business can withstand is key to putting a price risk management plan in place. One way to establish price risk management objectives is to start with the cost of production and the amount of risk the operation can withstand.

Alternatively, the options markets or Livestock Risk Protection (LRP) or Livestock Gross Margin (LGM) allow for the benefit from rising (falling) prices because prices are not locked in if the market trend favorably. When comparing price and pessimistic prices may be. A good place to learn more about price risk management is Iowa State University’s Ag Decision maker website (Livestock—Markets—https://www.extension.iastate.edu/adgm/ldmarkets.html). You also can contact your ISU Extension farm management or beef field specialist.

Visit the Iowa Beef Center at www.iowabeefcenter.org/ to subscribe to their newsletter

COVER CROPS INTENDED FOR FORAGE REQUIRE CAREFUL HERBICIDE USE

AMES, Iowa—Many farmers are now becoming more interested in cover crops due to their soil conservation and water quality benefits, and livestock producers may find them attractive as food for grazing animals. But farmers need to exercise caution when it comes to herbicide selection if they intend to graze or harvest the cover crop. “It is important for livestock producers to consider restrictions on labels of herbicides used earlier in the growing season for corn and soybeans if they intend to use the cover crop as a forage source,” said Bob Hartzler, professor in agronomy and extension weed specialist at Iowa State University Extension and Outreach.

A new ISU Extension and Outreach publication, “Herbicide use may restrict grazing options for cover crops,” can be downloaded from the Extension Store, https://store.extension.iastate.edu. Authored by Hartzler, along with extension field agronomists Meaghan Anderson and Rebecca Vittetoe, the guide lists herbicide products compatible in cropping systems that use crops for forage.

The guide contains two tables—one for corn and the other for soybeans—that list 46 herbicides, dividing them into three categories according to the minimum interval between application and the time when cover crops can be planted. Cereal rye and wheat are cleared for planting and use as forage with more herbicides than other plants commonly used as cover crops.

Hartzler warns producers that these tables do not eliminate the need to read the label and determine specific use restrictions. The two primary reasons for these restrictions are that herbicide residues may prevent the successful establishment of the cover crop, or residue tolerances have not been established for the presence of the herbicide within the cover crop.

“Regardless of the reason for the restriction, failing to follow the label guidelines is a violation of the label against the law,” he said. Due to the large number of generic and private brand herbicides, the tables do not include all products, and ISU Extension and Outreach does not endorse particular brands based on their inclusion. Despite having to pay attention to herbicide interaction with cover crops, farmers will find that they are well worth the extra effort. Cover crops reduce soil erosion, limit nitrogen leaching into groundwater, suppress weeds and increase soil organic matter.

For more information on cover crops, refer to the numerous publications and videos available in the Extension Store, https://store.extension.iastate.edu, or contact a local extension field agronomist (www.extension.iastate.edu/ag/field-agronomist)
Using Cover Crops Correctly Can Improve Field Health and Productivity
ISU Extension and Outreach publication discusses advantages of short duration cover crops

AMES, Iowa – Planting short duration cover crops can provide multiple benefits to growers who employ them in their fields. Cover crops can improve soil and water conservation efforts, organic matter input, nitrogen fixation, weed suppression and bio-fumigation, providing not only better yields but a healthier environment.

Techniques of proper planting and termination, advantages and challenges of specific crops and cover crop species are discussed in a new Iowa State University Extension and Outreach publication titled “Short Duration Cover Crops for Vegetable Production Systems” (HORT 3041).

The publication is authored by Ajay Nair, Iowa State assistant professor of horticulture and extension vegetable production specialist, and Ray Kruse, agriculture specialist in agronomy, and is available online at the Extension Store at http://store.extension.iastate.edu/Product/Short-Duration-Cover-Crops-

A short duration cover crop is one that is grown or managed for a short period of time, usually 45 to 60 days.

“Cover crops allow growers to keep their production system sustainable for years to come,” Nair said. “Using the correct crop during these short periods helps to increase soil organic matter, improves soil structure and aggregate stability, enhances soil biology and prevents soil erosion.”

Iowa State research has shown the benefit of using cover crops in weed suppression, with buckwheat, oats, cowpea and sorghum-sundangrass all significantly reducing weed biomass in areas of use. Cover crops also help improve nutrient cycling in the soil and reduce nutrient leaching.

“Hopefully producers will begin to see growing cover crops as a main crop, not an afterthought,” Nair said. “By improving soil structure and health through the use of cover crops, growers can keep their soil and production system sustainable.”

While research clearly shows the benefits of using cover crops, choosing the correct cover crop species requires careful thought. Factors such as growing season, environment and soil properties all need to be considered before selecting the cover crop to be planted.

The publication also discusses seeding methods and termination of the cover crop once it has achieved its intended purpose. An examination of common cover crops and their advantages and challenges is also included.
2016 Gross Crop Margins Negative Despite Lower Costs
Cost of crop production expected to fall but profit margins remain low

AMES, Iowa—The total cost of corn and soybean production in Iowa is expected to fall this year, according to a report published by Alejandro Plastina, an assistant professor in economics at Iowa State University and ISU Extension and Outreach economist.

The report, titled “Estimated Costs of Crop Production in Iowa - 2016,” shows the cost of corn production dipping by 6 percent and soybean production falling by 2.5 percent this year. The full report is available online on the ISU Extension and Outreach Store at http://store.extension.iastate.edu/Product/Estimated-Costs-of-Crop-Production-in-Iowa-2016-pdf.

Total cost per bushel is projected at $4.63 for corn following corn, assuming an average yield of 165 bushels per acre, and $3.99 for corn following soybeans, assuming an average yield of 180 bushels per acre. The total cost per bushel of soybeans, assuming an average yield of 50 bushels per acre, is projected at $10.67 for the herbicide tolerant variety and $10.66 for non-herbicide-tolerant, according to the report.

“A substantial decline in fertilizer and lime prices, machinery costs and land rents are expected to more than offset increases in crop protection costs, especially herbicides,” Plastina said. “Labor costs are also projected to remain flat in 2016.”

Despite higher fixed costs associated with slightly higher interest rates, total machinery costs are projected to drop due to lower diesel and LP gas prices. Lower crop prices will result in lower crop insurance liabilities and therefore lower insurance premiums.

The accumulated declines in total costs of corn and soybean production amount, respectively, to 8 percent since 2013 and 4 percent since 2014. However, these cost reductions are dwarfed by the 47 percent and 37 percent reduction in corn and soybean prices, respectively, between 2012 and 2015.

Several caveats do apply to the projections. First, fertilizer and lime costs include volume and early purchase discounts. Second, producers paying land rents higher than the ones estimated in the report might face higher costs of production. Third, to be able to compare budgets through time, calculations are based on a fixed rate of input use.

This might be a strong assumption for 2016, when lower crop prices will likely push some producers to look for additional cost savings by changing the mix of inputs used. For example, some producers might opt for seeds with fewer traits than in other years to save on front-loaded input costs.

Finally, crop budgets are calculated assuming average yields remain constant through time. If El Niño impacts climatological conditions in 2016, there is a high chance of having higher than average yields. In that case, costs of production per bushel might be lower than reported.

“Thin profit margins in owned land and likely negative margins on rented land should warrant a discussion with a trusted agronomist to evaluate where to cut costs without hurting revenue potential,” Plastina said. “Knowing the cost per acre of your own operation is critical for marketing your crop and making the necessary arrangements (such as securing operating loans, restructuring machinery or real estate loans, adding non-farm income) to cash flow your operation. For more information, visit with your ISU Extension and Outreach field agronomist or farm management specialist.”
Iowa Learning Farms to Host Spring Cover Crop Management Workshops

AMES, Iowa — Iowa Learning Farms, in partnership with Practical Farmers of Iowa and the Iowa Cover Crop Working Group will host a cover crop workshop this spring in Mahaska county. The workshops are free, open to the public and include a complimentary meal.

Cover crops continue to grow in popularity in Iowa due to the many benefits they provide. Such benefits include reduced nitrogen and phosphorus loads entering water bodies, increased soil organic matter and reduced soil erosion. Fall 2015 was a good season for cover crop establishment and growth, with adequate moisture and growing temperatures. Great fall growth helped protect the soil during the heavy rain events, but could present challenges this spring if farmers are not prepared with a termination plan and equipment adjustments.

These cover crop workshops will help prepare producers for spring management of cover crops and allow time for discussion to answer questions from new and experienced cover crop users. Topics at the workshops range from herbicide recommendations for termination and establishment, planter settings to handle higher amounts of biomass, cover crop seed selection, cover crop effects on soil health and other local topics. Speakers include specialists from Iowa State University Extension and Outreach, Practical Farmers of Iowa and USDA-ARS National Soil Tillth Laboratory.

**Iowa cover crop workshop date and location**

March 2: Mahaska County Extension Office, 10:30 a.m. – 12:30 p.m.; 212 North I Street, Oskaloosa

This workshop is free and open to the public, but reservations are suggested to ensure adequate space and food. Contact Liz Juchems at 515-294-5429 or email ilf@iastate.edu.

For details on the workshops, and for more information about Iowa Learning Farms, visit the website: [http://www.extension.iastate.edu/ilf/](http://www.extension.iastate.edu/ilf/).
Beef Research: Then and Now

In celebration of the 20th anniversary of the Iowa Beef Center, we continue our look back at the beef industry of 1996. Last month I noted some of the similarities and differences in issues facing the beef industry in 1996 and 2016. In this month’s article I compare research topics that were and continue to be important to the Iowa’s beef industry.

In the 1996 Iowa State University (ISU) Beef Research Report, the first study evaluating the performance and carcass characteristics of wet distillers grains from a commercial-scale, modern ethanol plant was reported. Interestingly, the feed was trucked in from Minnesota because there was no operating commercial dry mill ethanol plant in Iowa at that time.

Today approximately 40 ethanol plants producing nearly 1/3 of the U.S. ethanol and distillers grains are located in Iowa. Distillers grains have been a major focus of beef nutrition research at ISU since that time, and that work has evolved into looking at the changing nature of distillers grains and newer, novel feedstuffs from bioprocessing such as algae meal.

Also in 1996, there was a major research thrust in evaluating ultrasound as a tool for live animal carcass evaluation of beef cattle. Of course, this technology has since gone mainstream. It’s been incorporated into the development of carcass EPDs in many breeds and has contributed to the genetic progress in beef quality.

Today’s research in beef genetics at ISU relates to incorporating genomics and DNA technology into the selection of cattle for a number of traits.

Both intensive rotational grazing and extended grazing were major research efforts by ISU in several location in 1996. This work evolved into a major outreach effort by the Iowa Beef Center that continues to this day. Current, grazing research at ISU focuses on the effects of grazing systems on the environment, including water quality and greenhouse gas production.

Beef cattle research in the past 20 years has changed and evolved. For example, funding for research has shifted away from experiment-Station-funded research that is based on the needs of the industry to grant-based funding that is directed by the priorities of the funding source. This might be a company that is evaluating a product, or the USDA, which sets priorities for funding proposals based on national priorities. These funding changes make it increasingly challenging to fund practical research that answers questions important to Iowa beef producers. For more information on current beef research at ISU please check out the 2016 Animal Industry Report.

To help you keep current with current research and information here are some programs and publications you may be interested in.

Heifer development has been a priority topic of the Iowa Beef Center over the past three to four years. It is estimated that it may take up to 10 years to pay back the costs of a bred heifer. With that in mind the educational series, “Heifer Development 3: Breeding & Selecting for Longevity & Profit” will be held in seven locations across Iowa this winter. Please check our website for the location nearest you.

For cattle feeders there is a new publication available on “Feed Bunk Management”. The fact sheet gives best practices for using bunk scores in managing feed deliveries. As a companion piece, a customizable Standard Operating Procedure sheet is also available to help improve employee communications regarding feed bunk management.

IBC at Iowa State University serves as the university’s extension program to cattle producers. Our center comprises as a team of faculty and staff from the College of Agriculture and Life Sciences, the college of Veterinary Medicine and Iowa State University Extension and Outreach. We work together to develop and deliver the lasts in research-based information to improve the profitability and vitality of Iowa’s beef industry. Call us at 515-294-BEEF or email us at beefcenter@iastate.edu. If you’d like to be notified of updates on progress of research projects or programs the might be coming to your area, please subscribe to our “Growing Beef” newsletter by following the link on our website. You can also follow @iowabeefcenter on Twitter, YouTube and Instagram.
Would you like to receive the Ag Newsletter electronically? Call 641-932-5612 or email rominger@iastate.edu and provide your email address!

2016 County Fair Dates:

Appanoose County: July 18-23
Davis County: July 12-17
Jefferson County: June 20-27
Lucas County: July 23-28
Monroe County: July 28-Aug 1
Wapello County Expo: July 11-17
Wayne County: July 23-30
VanBuren County: July 13-18

The 2016 Iowa State Fair is August 11-21