

Extension Connection

AGRICULTURE NEWSLETTER

By: Katelyn Barthol

January 2017

Topics

K-State's Winter Ranch Management Series Set for January and February

Managing cold stress

Garden City Water Talk 2017

Lenders expect financial stress to worsen for farmers, ranchers

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K-State's Winter Ranch Management Series Set for January and February



MANHATTAN, Kan. – With lower expected revenues from the sale of calves in 2017 compared to 2014-15 prices many producers are seeking information on ways to improve their

operation's profit potential. With that in mind, the 2017 K-State Winter Ranch Management series of meetings will include comments from extension educators on profit-enhancing strategies practices for beef producers. The meetings will also feature a popular 'town-hall' style question and answer session between Kansas' cattle producers and extension specialists. The Winter Ranch Management Seminar series runs in January and early February.

"The series has a history of being a successful stretch of meetings, which are hosted throughout the state of Kansas," said Bob Weaber, K-State Research and Extension cow/calf specialist. Weaber, along with

other state, district and local extension staff, will take part in the series to help answer producers' questions. The specialists will answer a wide range of questions on beef cattle issues surrounding animal health, nutrition, management, genetics and reproduction during the Town Hall Q & A.

"Over the past few months we've received quite a few questions from producers looking for profit tips and tools," Weaber said. "The Winter Ranch Management series provides another great opportunity for state and local specialists to take our expertise out in the country for a series of impactful face-to-face meetings." Producers are encouraged to come to the meetings prepared with questions. Some of the hot topics Weaber predicts are: winter feeding and cow management, bull buying and selection strategies, preparation for calving and breeding season as well as vaccination and animal health issues such as the new Veterinary Feed Directive.

"Early in the year is always a great time for producers, when the weather is bad and after they get chores done, to sit back, think and plan for the coming year, the calves that will be born in the spring and how they might manage those," he said. "Certainly it is a good time of year to think about opportunities to reduce costs and enhance revenue streams."

Nearest Location: **Syracuse**

Date: Tuesday, February 7, 2017; 5 - 8:30 PM (MT)

Location: Hamilton Co. Fairgrounds

806 Main St.

Syracuse, KS 67878

RSVP by January 31, 2017 to:

Jenifer Sexson, Hamilton Co. Extension

620-384-5225; jsexson@ksu.edu

Meeting times vary by location but all will include a meal. Participants are asked to RSVP for a selected location by the close of business one week prior to the event. Registration fees, which cover a meal, vary by location. Interested participants should contact their local host contact for registration and RSVP details. More information about the K-State Winter Ranch Management Seminar Series is available at www.KSUBeef.org.

Managing cold stress



As we all know there is no typical weather pattern in Kansas. We experienced a mild fall this year and thus far winter has been interesting with

record high temperatures followed by cold and windy days. The downside is that we don't know what might happen in the New Year, as we approach what are typically the coldest months of the year. Most cattle producers know and appreciate that cold weather increases nutrient requirements. However, the obvious questions that come to mind are "What is cold to cow?" and "What increases (energy, protein etc.) and by how much?".

Cattle are most comfortable within the thermoneutral zone when temperatures are neither too warm nor cold. During the winter months, cattle experience cold stress anytime the effective ambient temperature, which takes into account wind chill, humidity, etc., drops below the lower critical temperature. The lower critical temperature is influenced by both environmental and animal factors including hair coat and tissue insulation (body condition). The table below lists the estimated lower critical temperatures of cattle in good body condition with different hair coats. In wet conditions cattle can begin experiencing cold stress at 59°F, which would be a relatively mild winter day. However, if cattle have time to develop a sufficient winter coat the estimated lower critical temperature under dry conditions is 18°F.

Estimated lower critical temperatures for beef cattle

Coat Condition	Critical Temperature
Wet or summer coat	59 F
Dry fall coat	45 F
Dry winter coat	32 F
Dry heavy winter coat	18 F

Cold stress increases maintenance energy requirements but does not impact protein, mineral or vitamin requirements. The general rule of thumb (for a cow in good body condition, BCS = 5 or greater) is to increase the energy density of the ration by 1% for each degree (Fahrenheit) below the lower critical temperature. The classic response to cold stress in confinement situations is an increase in voluntary intake. However, it has been documented that grazing beef cows may spend less time grazing as temperatures decline below freezing, which reduces forage intake (Adams et al., 1986) and makes the challenge of meeting the cow's nutrient requirements even greater. In many cases feeding a greater amount of low-quality hay will replace grazed forages but may not provide sufficient energy. Therefore, providing additional energy by feeding a relatively higher-quality hay or fiber-based supplement (DDGS, Corn gluten feed, or Soybean Hulls) may be required.

Our overall goal is to be aware of the increasing energy and protein needs of the cow as they enter the third trimester of gestation and the temperature declines. It is difficult to improve body condition during third trimester when the gestating calf is rapidly growing and consuming nutrients while the cow is dealing with cold winter weather. It is even more difficult (almost impossible) to improve cow body condition once the calf is on the ground and nutrients are shifted toward milk production. The key to managing cold stress in pregnant cows is to keep body condition from slipping by providing additional energy when necessary.

More information on cold stress and nutrition may be found in "Beef Cow Nutrition Guide", Publication #C-735 which may be accessed online at <http://www.ksre.ksu.edu/bookstore/pubs/C735.pdf>. (Justin W. Waggoner, beef systems specialist, Garden City, KS)

The 2017 Water Talk Series will be hosted in six cities this winter. This series of talks will provide information on regional water issues, recent agricultural research, and resources available to support efficient irrigation in your area. Topics to be covered are the new for 2017 Limited Irrigation crop insurance option available for Kansas, locally developed goals for sustaining the water future, groundwater level changes, and Water Technology Farms. You are welcome to attend the meeting in your region or another.

2017 Water Talks Series stops:

- January 31st Concordia
- February 1st Goodland
- February 2nd Sharon Springs
- February 13th St. John
- February 14th Garden City
- February 21st Ulysses

The Garden City Meeting will be held at the Finney County Fairgrounds, 4-H Building beginning at 9 a.m. on February 14, 2017. The meeting will be followed by a lunch sponsored by Southwest Kansas Groundwater Management District No 3.

The location information for all meetings is available at <http://www.kwo.org/calender.html>. For more information on the Water Talk 2017 Meeting, contact the Kansas Water Office at (785) 296-3185.

Lenders expect financial stress to worsen for farmers, ranchers

MANHATTAN, Kan. — According to a recent study of lenders, financial stress on farmers is expected to continue for some time.

“Our research indicates a continued deterioration in agricultural credit conditions,” said Allen Featherstone, head of the Kansas State University Department of Agricultural Economics. The 2016 Fall Agricultural Lender Survey by the Kansas State University Department of Agricultural Economics and the University of Georgia studies the expectations of lenders in regard to interest rates, spread over cost of funds, farm-loan volume, nonperforming loans and land values as indicators of the overall health of the farm finance sector. According to the twice-a-year study, more than 50 percent of land values are decreasing within the areas covered by participating lenders. These values are set

to continue to decrease over the short- and long term and are affecting credit limits for landowners and producers. Non-performing loans are also on the rise for all loan types, and expectations show the number of these loans will continue to increase in this stressed financial market.

The survey indicates the decreased liquidity in production operations has increased demand for farm loans and, in particular, operating loans in attempts to bridge the gap of the current fiscal downturn. Making matters worse, interest rates on those loans are expected to increase and continue to rise over time. These problems aren’t isolated to just one crop. They are spreading into every aspect of farming. “Both the livestock sectors and the crop sectors are struggling meeting cash-flow issues,” said Featherstone. Producers and lenders across the state can gain deeper insight into these issues by attending a program offered by the Kansas State University Department of Agricultural Economics, “Top 10 Considerations to Navigate a Struggling Farm Economy.” The seminar will be offered at six locations across the state in January and February.

For more information about the outlook for agricultural credit conditions and commentary on areas of concern within agriculture, go to the complete 2016 Agricultural Lender Survey.

Regional Farmers’ Market Workshops Planned



MANHATTAN, Kan. — The Kansas Department of Agriculture, K-State Research and Extension and the Kansas Department of

Health and Environment will host four regional workshops in February 2017 to assist farmers’ market vendors and managers. Kansas farmers’ markets not only provide a fresh food source, but also stimulate the local economy. In 2016, 75 farmers’ markets were registered with KDA’s Central Registration of Farmers’ Markets.

“Selling food directly to consumers through farmers’ markets provides growers a chance to tell their farm’s story, but there are also legal, safety and

financial parameters that farmers need to understand before choosing this marketing tool,” said Londa Nwadike, consumer food safety specialist with K-State Research and Extension and the University of Missouri.

Workshop topics will vary slightly by location. Highlighted topics include:

- Keynote speakers on successful farmers’ market vending
- Double Up Food Bucks SNAP matching program
- Kansas Senior Farmers Market Nutrition Program Certified Farmer Training
- Cover cropping and other soil health strategies
- KDA’s Division of Weights and Measures will also offer free scale certification at the workshops for attendees.

Dates and locations for the Farmers’ Market events are as follows:

- Feb. 4 — KSU Sedgwick County Extension Office, 7001 W. 21st N., Wichita
- Feb. 10 — KSU Olathe, 22201 W. Innovation Dr., Olathe
- Feb. 11 — Greenbush Education Service Center (Dave DeMoss Education Building), 947 W. 47 Highway, Girard
- Feb. 17 — KSU Agriculture Research Center, 1232 240th Ave., Hays

In addition, farmers’ market vendors and managers are encouraged to attend the 2017 From the Land of Kansas and Farmers’ Market State Conference on March 16 and 17 at the Bluemont Hotel in Manhattan.

Registration for the February workshops is now open and is \$20 per participant. Registration includes lunch; however, lunch will only be guaranteed to those participants who register at least 10 days prior to the respective workshop date. Registration forms can be found at

FromtheLandofKansas.com/FMConference or at local extension offices. Onsite registration will open at 8:30 a.m. and the workshops will begin at 9 a.m. and conclude by 4 p.m. The Wichita workshop will begin online registration at 8:15 a.m. and the workshop at 8:45 a.m. Registration for the March 2017 From the Land of Kansas and Farmers’ Market State Conference is \$75 for one day and \$95 for both days. Registration is expected to be open late January at

FromtheLandofKansas.com/FMConference and will close March 8, 2017.

KDA is committed to providing an environment that enhances and encourages economic growth of the agriculture industry and the Kansas economy. These workshops will provide support and assistance to help make Kansas businesses more successful. For more information, contact Janelle Dobbins, KDA’s From the Land of Kansas marketing manager, at (785) 564-6759 or Janelle.Dobbins@ks.gov.

Annual Pawnee Fry Scheduled

The 69th Annual Pawnee Fry will be Monday, January 30th at the Pawnee Acre Community Building located three miles east of the US-156 and K-23 junction and four miles north on Community Road in northeast Finney County.

Each year local friends and neighbors have joined in hosting this unique social dinner and evening in cooperation with the Finney County Extension Service. The evening will begin with a meal at 6:30 pm that includes calf fries, ham sandwiches and all the trimmings.

The public is invited to attend. For more information, please contact the Finney County Extension Office at 272-3670, or Larry Scott at 620-855-3371.

Calender

January:

16th: Office Closed

18th: **Harnessing the Power of Excel**

Workshop @ Finney County

Fairgrounds Grand Stand Meeting Room

20th: Farm Bureau Friends on the Farm

27th: **Grain Marketing Workshop @**

Garden City Co-op Center

30th: Pawnee Fry

February:

7th: Top 10 Considerations to Navigate a

Struggling Farm Economy @ Dodge City

14th: **Water Talk Series @** Finney County

Fairgrounds 4-H Building

20th: Office Closed

Upcoming Events

January 18, 2017

Registration
2017 K-State
"Harnessing the Power of Excel"
Workshop
January 18, 2017
Garden City, Kansas

Name: _____
Address: _____
City: _____ State/Zip: _____
Phone: _____
Email: _____

Cost: \$20.00
Must be paid in advance when registering.
Registration deadline: January 13, 2017

To Register:
Katelyn Barthol
Finney County Extension
501 S. 9th St.
Garden City, KS 67346
Phone: 620-272-3670
Fax: 620-272-3676
Email: kbarth25@ksu.edu

WORKSHOP SCHEDULE

9:30 a.m. Registration

10:00 a.m. Intro To Excel

10:15 a.m. Work on Exercises
a) Machinery Costs
b) Crop Budgets
c) Loan Payments
d) Weaning Weights

12:00 p.m. Lunch

12:45 p.m. Intro to AgManager, Info and Excel Decision Tools

1:30 p.m. Work on Exercises
a) Balance Sheet
b) Income Statement
c) Cash Flow Sheet

3:00 p.m. Adjourn

Computers provided, but best to bring your own.

Kansas State University

Harnessing the Power of Excel



Using Excel for:
• Estimating Machinery Costs
• Budgeting and Enterprise Analysis
• Calculating Principal and Interest Payments
• Analysis of Livestock Economics
• Macros, Graphing, What-If Analysis
• Financial Statements

As well as:
• Tips and Tricks for Using Excel
• Other Decision Tools on AgManager.info

Kansas State University
Department of Agricultural Economics

February 7, 2017

PROGRAM SCHEDULE

8:30 AM Registration

9:00 AM Overview of the Farm Financial Situation

9:45 AM Cost of Production - Crops & Livestock

10:30 AM Break

10:45 AM Maintaining Working Capital and Restructuring Debt

Utilizing FSA Loan Programs

How Long Can I Afford to Lose Money on Rented Ground?

12:00 PM Lunch

1:00 PM Managing Machinery Expenses

Farm Safety Nets

Income Tax Management

2:30 PM Break

2:45 PM Is it Time to Retire? What About the Next Generation?

Family Living Expenses

3:45 PM Wrap-up K-State Resources for Assistance

4:00 PM Adjourn

Speakers

Dr. Albert Featherharter is Professor and Head of the Department of Agricultural Economics and Director of Extension for Kansas State University. Professor Featherharter is recognized as a leading scholar in agricultural economics. He has published numerous research articles and columns in the Wall Street Journal, the Economist, and other publications. He has also published 120 articles in a variety of journals.

Dr. David Ely is an assistant professor in the Department of Agricultural Economics. He researches and teaches courses in the areas of farm financial performance, farm management, and farm business planning. He has published articles in the Journal of Agricultural Economics, Farm Management, and other publications. He has also published 120 articles in a variety of journals.

Dr. Matt Barnaby is a Professor and State Extension Specialist for the Department of Agricultural Economics. He conducts national extension education programs on market risk management, farm business planning, and farm financial performance. He has published articles in the Journal of Agricultural Economics, Farm Management, and other publications. He has also published 120 articles in a variety of journals.

Dr. Gregg Hallock is the assistant director of extension for the Department of Agricultural Economics. He researches and teaches courses in the areas of farm financial performance, farm management, and farm business planning. He has published articles in the Journal of Agricultural Economics, Farm Management, and other publications. He has also published 120 articles in a variety of journals.

Other speakers may include:
Dr. Terry Smith, K-State Department of Agricultural Economics
Dr. A. Ray Askegaard, K-State Department of Agronomy
Dr. Scott Hanger, K-State Department of Agricultural Economics
Dr. Rick Llewellyn, K-State Department of Agricultural Economics
Dr. Curtis Pritchard, K-State Department of Agricultural Economics
Dr. Steve Coughlin, K-State Department of Agricultural Economics
Robert White, Farm Loan Chair, Farm Service Agency
Rick Hark, K-State Department of Agricultural Economics
Kansas Farm Management Association Executive

KANSAS STATE UNIVERSITY Agricultural Economics

Kansas State University is committed to making its services, activities and programs available to all participants. If you have special requirements, please contact the program coordinator in advance. For a list of accessible programs, contact the program coordinator. For more information, contact the program coordinator. For more information, contact the program coordinator.

Top 10 Considerations to Navigate a Struggling Farm Economy

Dec. 7th - Olathe
Dec. 15th - Parsons
Jan. 18th - Salina
Jan. 19th - Topeka
Feb. 6th - Hays
Feb. 7th - Dodge City
Feb. 8th - Colby
Feb. 15th - El Dorado

KANSAS STATE UNIVERSITY Department of Agricultural Economics
K-STATE Research and Extension

January 27, 2017

SPONSORED BY:

K-State Research and Extension

K-STATE Research and Extension

Garden City Co-op, Inc.
106 North 6th St.
P.O. Box 838
Garden City, Kansas 67846

KANSAS STATE UNIVERSITY Agricultural Economics

AgManager info

Daniel M. O'Brien
Extension Agricultural Economist
Kansas State University

Dr. Daniel O'Brien's research & educational interests as part of the KSU Agricultural Economics Department are in the subject areas of:

- grain market supply-demand & price analysis
- grain market price risk management strategies
- grain & oilseed crop bioenergy production & market trends & grain market impacts
- the profitability of western Kansas irrigated & dryland cropping systems

O'Brien was raised on a family grain and livestock farm in south central Nebraska in which he still holds a family business interest.

He attended the University of Nebraska-Lincoln in 1974 - receiving a B.S. degree in 1978 and an M.S. degree in 1980, both in Agricultural Economics. After graduation he worked working as an Extension Agent-Ag & 4-H in Nebraska (1980-87). O'Brien attended Iowa State University in Fall 1987, receiving a Ph.D. in Agricultural Economics in 1993, while working for ISU Extension in Northwest Iowa (1992-winter 1995).

O'Brien joined Kansas State University as an Extension Agricultural Economist in Spring 1995, with his offices in the NW Research-Extension Center in Colby.

Grain Marketing Strategies for 2017

January 27, 2017

Co-op Center
Garden City Coop
106 North 6th Street
Garden City, KS

2017 Grain Marketing Strategies Workshop

AgManager **K-STATE** Research and Extension

February 14, 2017

WATER TALK SERIES 2017

GARDEN CITY, KANSAS

TOPICS TO BE COVERED

- “ New for 2017 - Limited Irrigation Crop Insurance coverage offered by USDA-RMA
- “ Kansas Water Technology Farms
- “ Regional goals for Kansas water future
- “ Local groundwater level changes
- “ Conservation and water management tools

CONTACT

Kansas Water Office
900 SW Jackson St. Ste. 404, Topeka, KS
Richard Rockel, Water Resource Planner
Richard.Rockel@kwo.ks.gov • 785-296-3185

FEBRUARY 14, 2017 • 9 A.M.
FINNEY CO. FAIRGROUNDS 4-H BUILDING

Schedule & Program Description

Workshop Description

This workshop is designed to help Kansas crop producers make profitable marketing decisions for their crops in 2017 - a period forecast to be one of continued large supplies, low selling prices, and limited profitability. This workshop is developed to provide three things to participants:

First, Grain Market Situation and Outlook for the remainder of the 2016/17 marketing years for corn, grain sorghum, wheat and soybeans. The particular focus will be on available cash and forward contract grain prices, basis trends, and futures & options pricing opportunities for the December 2016 - September 2017 period.

Second, the Top Performing Grain Marketing Strategies for Kansas corn, grain sorghum, wheat and soybeans for the 1990/91 through 2015/16 marketing years will be reviewed. This focus will be on how well pre-harvest forward contracts, hedges and put options, harvest cash sales, and post-harvest on-farm and commercial storage, storage hedges, and call options performed over time for Kansas crop producers.

Third, workshop participants will lead through a "Test Drive" 2017 Grain Marketing Strategies, considering likely 2017 Kansas grain price outcomes as well as the marketing choices that are likely to be available for major grains during the December 2016 through September 2017 period. Both post-harvest storage strategies for 2016 harvested crops and pre-harvest 2017 crop grain sales scenarios will be examined.

Prepare ahead of time. The CME Group provides the "Self-Study Guide to Hedging with Grain and Oilseed Futures and Options" at the CME Group website: <http://www.cmegroup.com/training/self-study-guide-to-hedging-with-grain-and-oilseed-futures-and-options.aspx>

KANSAS STATE UNIVERSITY Agricultural Economics

Program Schedule

8:30 Registration (coffee, refreshments, & rolls)

8:55 Introduction & Overview of Meeting

9:00 Grain Market Analysis & Outlook
A quick overview is presented of the key supply-demand factors affecting selected grain market prices in the U.S. & Kansas, along with all futures, cash & forward contract prices, and 1 basis week.

10:00 Break

10:15 Top Performing Futures & Cash Grain Marketing Strategies, with Current Put & Call Option Opportunities
The performance of pre-harvest, harvest, & post-harvest grain marketing strategies for Kansas corn, grain sorghum, wheat, and soybeans are examined since the 1990/91 marketing year. Strategies examined include on- and off-farm storage, forward contracts, buying put options, 1) harvest cash sales, & 2) post-harvest sales (on-farm & commercial storage, storage hedges, selling cash & buy call options & marketing loans.)

11:15 Break

11:20 "Test-Driving" 2017 Grain Sales Strategies
As a group, participants will work through the most likely alternative grain price outcomes for January through December 2017.

There will be a joint focus on post-harvest marketing decisions for on-farm storage of unshelled 2016 corn, sorghum, wheat and soybeans, and pre-harvest through harvest pricing of 2017 production for these same crops.

12:00 End of Workshop

2017 Grain Marketing Strategies Workshop

January 27, 2017
Garden City, KS

Name: _____
Address: _____
City: _____ State/Zip: _____
Phone: _____
Email: _____

Free Program
Registration deadline: January 25, 2017

Preregistration is asked for so that enough materials are available for attendees.

To preregister contact:
Katelyn Barthol
Extension Agricultural Agent
Finney County Extension
501 South 9th Street
Garden City, KS 67601
Phone: 620-272-3670
Email: kbarth25@ksu.edu