

Guernsey County Agriculture News

Clif Little, Extension Educator, AgNR

Winter/2021



Winter is here and it seems no matter what the groundhogs say we will likely have six more weeks of winter. OSU Extension programs are rolling on virtual, and below you will find links to many of the zoom programs coming up this winter.

Stay safe and be well!

Sincerely,

Clif Little

Fertility Calculator for Ohio Recommendations-

Version Updated By: Greg LaBarge, CPAg/CCA Source: <https://agcrops.osu.edu/newsletter/corn-newsletter/2021-03/fertility-calculator-ohio-recommendationsversion-update>

An update to the Fertilizer Calculator for Ohio has been posted at <https://go.osu.edu/ohiofertilitytool> . The Fertilizer Calculator for Ohio (Version 2021) corrects an error in calculating whole field fertilizer cost and standardizes the width of field/subfield

description fields across tool forms based on user feedback. The tool is a Microsoft Excel spreadsheet developed to support users who want to generate their own recommendations based on the Tri-State Fertilizer Recommendations for Corn, Soybeans, Wheat, and Alfalfa, 2020. The spreadsheet is designed to be compatible with Excel version 1997-2003 or later. Recommendations can be generated for the following crops: Corn, Corn-Silage, Soybeans, Wheat (Grain Only), Wheat (Grain & Straw), Alfalfa, Grass Hay, Grass/Legume and Hay.

The spreadsheet is available at:

<https://go.osu.edu/ohiofertilitytool>

A printed User Guide is available at:

<https://go.osu.edu/ohiofertilitytoolguide>

A video demonstration at:

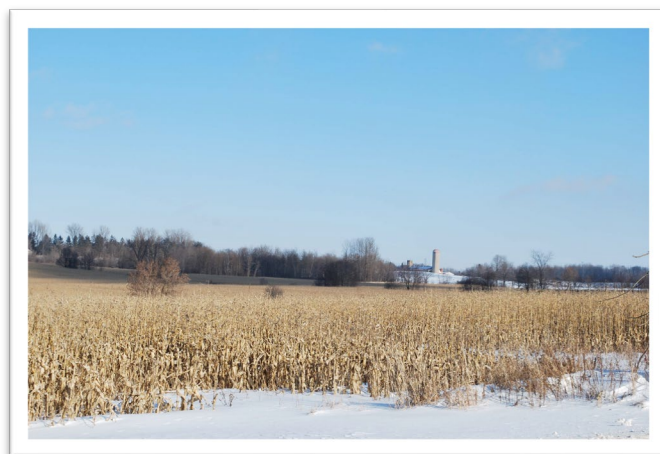
<https://go.osu.edu/ohiofertilitytoolvideo>

March 15 Last Day to Complete Enrollment for 2021 ARC & PLC Programs

Source: USDA Farm Service Agency

Agricultural producers who have not yet enrolled in the Agriculture Risk Coverage (ARC) or Price Loss Coverage (PLC) programs for 2021 must do so by March 15. Producers who have not yet signed a 2021 enrollment contract or who want to make an election change should contact their local USDA Farm Service Agency (FSA) office to make an appointment. Program enrollment for 2021 is required in order to participate in the programs, but elections for the 2021 crop year are optional and otherwise remain the same as elections made for 2020. “FSA offices have multiple programs competing for the time and attention of our staff. Because of the importance and complexities of the ARC and PLC programs, and to ensure we meet your program delivery expectations, please do not wait to start the enrollment process,” said FSA Acting Administrator Steve Peterson. “I cannot emphasize enough the need to begin the program election and enrollment process now. This process can be completed when applying for other FSA programs as well.

ARC and PLC provide income support to farmers from substantial drops in crop prices or revenues and are vital economic safety nets for most American farms. Although 1,033,310 contracts



have been completed to date, this represents less than 59% of the more than 1.7 million contracts anticipated by the Agency. By enrolling soon, producers can beat the rush as the deadline nears. Producers who do not complete enrollment by close of business local time on Monday, March 15 will not be enrolled in ARC or PLC for the 2021 crop year and will be ineligible to receive a payment should one trigger for an eligible crop. ARC and PLC contracts can be emailed, faxed or physically signed and mailed back to FSA.

Producers with level 2 authentication access can electronically sign contracts. Service Center staff can also work with producers to sign and securely transmit contracts electronically through two commercially available tools: Box and OneSpan. You can learn more about these solutions at farmers.gov/mydocs. Producers may also make arrangements to drop off signed contracts at the FSA county office. Please call ahead for local mailing or drop off information and options for submitting signed contracts electronically.

2021 ARC & PLC Programs continued...

Producers are eligible to enroll farms with base acres for the following commodities: barley, canola, large and small chickpeas, corn, flaxseed, grain sorghum, lentils, mustard seed, oats, peanuts, dry peas, rapeseed, long grain rice, medium- and short-grain rice, safflower seed, seed cotton, sesame, soybeans, sunflower seed and wheat.

Yield Data and Web-Based Decision Tools

Available FSA recently updated the annual and benchmark yields for ARC/PLC program years 2019, 2020 and 2021. This data is useful to producers in choosing to participate in either ARC or PLC. For added assistance with ARC and PLC decisions, USDA partnered with the University of Illinois and Texas A&M University to offer web-based decision tools to assist producers in making informed, educated decisions using crop data specific to their respective farming operations.

Tools include: Gardner-farmdoc Payment Calculator, [Farm Doc Tools - 2018 Farm Bill Payment Calculator](#), [Crop Insurance Premiums Calculator \(illinois.edu\)](#), the University of Illinois tool that offers farmers the ability to run payment estimate modeling for their farms and counties for ARC-County and PLC Decision Tool.

The Texas A&M tool <https://www.afpc.tamu.edu> allows producers to analyze payment yield updates and expected payments for 2019 and



2020. Producers who have used the tool in the past should see their username and much of their farm data will already be available in the system.

Crop Insurance Considerations Producers are reminded that enrolling in ARC or PLC programs can impact eligibility for some crop insurance products. Producers who elect and enroll in PLC also have the option of purchasing Supplemental Coverage Option (SCO) through their Approved Insurance Provider.

Producers of covered commodities who elect ARC are ineligible for SCO on their planted acres. Unlike SCO, RMA's Enhanced Coverage Option (ECO) is unaffected by participating in ARC for the same crop, on the same acres. You may elect ECO regardless of your farm program election. Upland cotton farmers who choose to enroll seed cotton base acres in ARC or PLC are ineligible for the stacked income protection plan (STAX) on their planted cotton acres.

More Information For more information on ARC



2021 ARC & PLC Programs continued...

and PLC including web-based decision tools, visit farmers.gov/arc-plc. All USDA Service Centers are open for business, including those that restrict in-person visits or require appointments. All Service Center visitors wishing to conduct business with NRCS, Farm Service Agency, or any other Service Center agency should call ahead and schedule an appointment. Service Centers that are open for appointments will pre-screen visitors based on health concerns or recent travel, and visitors must adhere to social distancing guidelines. Visitors are also required to wear a face covering during their appointment. Our program delivery staff will continue to work with our producers by phone, email, and using online tools. More information can be found at farmers.gov/coronavirus. Visit farmers.gov/service-center-locator to find location and contact information for the nearest FSA county office.

Other Webinars and Field Days

Virtual OSU Extension programs are posted currently running and a list of program offerings can be found at:

<https://agmr.osu.edu/programming>.

Ag Tech Tuesday Webinars Highlight 2020 eFields Results.

By Elizabeth Hawkins Source:
<https://agcrops.osu.edu/newsletter/corn-newsletter/2021-03/ag-tech-tuesday-webinars-highlight-2020-eFields-results>.

The Ohio State Digital Ag Team's Ag Tech Tuesday webinars are continuing this month! The online February series will cover results from several 2020 eFields trials and be held each Tuesday starting at 10:00 EST for 1 hour. There will be plenty of time for participants to ask questions. The following provides details for the 2021 Ag Tech Tuesday sessions.

February 16 - Tech to Improve On-Farm Efficiency Manure On-the-Go Sensing, Chris Shoup Yield Monitor Data, Alysa Gauci Virtual Reality and Field Demonstrations, Brooke Beam Equipment Technology, Andrew Klopfenstein

February 23 - eFields Small Grains, Forages, Soil Health, and Water Quality Results Production Budgets and Custom Rates, Barry Ward Winter Annual Forages, Jason Hartschuh Barley Cohort, Eric Richer Hemp, Lee Beers Soil Health Testing, Boden Fisher

Selling and Pricing Freezer Beef

Dr. Lyda G. Garcia, Meat Extension Specialist - Fresh Meat Processing, Department of Animal Sciences
Clif Little, OSU Extension Educator (county)

There are several issues related to selling freezer beef directly to consumers. Among the most critical is effectively communicating the value and yield a consumer can expect in terms of retail cuts. The livestock producer wants the consumer to perceive value and quality when buying direct. The consumer often overestimates the quantity of meat products he or she should be taking home. In this factsheet we will demonstrate how to set a minimum, break-even price while demonstrating what may be harvested per half of an average beef carcass.

Pricing

Long term, a beef producer must cover their cost of production if they are going to stay in business. Beef cattle finishing cost includes variable costs, items such as feed, mineral, hay, veterinary, marketing and other supplies. In addition, there are fixed costs which includes items such as labor, machinery, facilities and management. University enterprise budgets are useful tools utilized to evaluate total production costs. The Ohio State University Extension enterprise budgets may be found at: <https://aede.osu.edu/research/osu-farm-management/farm-finance/enterprise-budgets>.

Economic Data to Figure Break-even and Hanging Beef Calculations

For the beef producer the cost of the calf or yearling going into the finishing phase of production can be the most challenging and important figure in the break-even calculation. A cow calf producer must cover cow cost and calf cost for a combined calf cost. As the calf should cover the annual cow cost. If the calf was purchased, we now have an accurate figure on which to estimate break-even. If unsure of the production expenses, it will be helpful to utilize the enterprise budgets mentioned above to come up with a realistic value for the calf.

Break-even

(cost of calf) + (feed, labor, management, and other related costs) = (a) _____ total costs

(b) Finished weight of steer (lbs.) _____

$a \div b = \text{Break-even } (\$/\text{lb.})$

Example 1: 550 lb. steer purchased at \$1.00 per pound live weight and grown to a finished weight of 1,250 lbs.

If the initial cost is \$550 for the calf and related production cost total is \$625 then:

Total costs are $\$550 + \$625 = \$1,175$.

Break-even cost per pound = $\$1,175 \div 1,250 \text{ lbs. animal live weight} = \$.94 \text{ per pound}$.

Therefore, the livestock producer must receive an equivalent value for the carcass of 94 cents per pound or production costs are not covered.

Break-even live animal selling price is 94¢/lb.

Then a 1,200 lb. steer is worth \$1,128.

Calculation: $1,200 \times .94\text{¢/lb.} = \$1,128$.

If the steer dresses at 60% (and there is a range in dressing percent) = 720 pounds of beef carcass or two half carcasses of ~360 pounds each.

Calculation: $1,200 \text{ lbs.} \times .60 \text{ dressing percent} = 720 \text{ pounds of carcass} \div 2 \text{ halves} = 360 \text{ lb. halves}$.

So the cost = (a) _____ animal cost (including feed, labor, etc.)
 +
 + (b) _____ slaughter & cutting cost (meat processing plants charge a fee for slaughtering and cutting/wrapping)

Example: From our previous example \$1,175 cost + \$58 slaughter & cutting cost = \$1,233.

Each 360-pound side would cost the livestock producer \$616.50.

Calculation: $\$1,233 \text{ (steer and cutting wrapping cost} \div 2 \text{ (two halves of a carcass))} = \$616.50 \text{ break-even of each half carcass}$.

As the livestock producer you must decide who will pay the slaughter charge and cutting and wrapping fee, it is customary for the consumer to pay these charges. There will also be a delivery cost for shipping the animal to the processing facility.

Consumers should realize that a hanging side of beef carcass will have a 25% - 30% cutting loss.

Each custom slaughter facility may have different fees associated with cutting, wrapping, and other processing. This fee can be a flat rate or based per pound of beef processed. Be sure to ask the slaughter facility about any additional costs before the animal is delivered for processing. It is common for local meat processors to be booked months in advance.

In our example a 720-pound carcass with a 25% cutting loss would yield approximately 540 pounds of various meat products.

Calculation: 720 lbs. of carcass X .25 cutting loss = 180 lbs. lost.
720 lbs. – 180 lbs. loss. = 540 lbs. of various meat products.

The yield, in terms of retail product from a beef carcass varies based on the amount of bone, muscle and fat in and individual carcass. See OSU factsheet, “Factors Impacting Total Pounds of Meat” for more information.

Pricing the Carcass

The total finished steer investment from our example $\$1,233.00 \div 720$ lb. of beef carcass to sell = approximately \$1.71 per pound which is what a livestock producer must charge to break-even, which includes a \$58 slaughter and cutting cost. This equates to \$616.50 per carcass side to cover all costs in this example. It is important to remember cost of production changes at least yearly, and processing fees vary by custom slaughter facility.

The consumer will be receiving approximately 270 lbs. of various meat products when purchasing the half carcass. A 360-pound beef half valued at \$1.71 per pound results in approximately \$616.50 expense for 270 lbs. of meat per half, or an average expense of approximately \$2.28 per pound of meat.

Calculation: $\$616.50 \div 270$ lbs. of meat from the one-half carcass = \$2.28 per pound of meat.

Part of the marketing process is helping the consumer understand what they get for their investment. The consumer tells the slaughter facility how they want the carcass processed. They determine the number of steaks, ground beef and other cuts received. In effect, by purchasing a side of beef, the consumer has purchased a meat product produced locally, and according to their standards. Please note we have demonstrated the process for calculating break-even pricing. However, each producer will have unique production costs and their own desired profit margin must be factored into the final price per pound.

Thank you to Dianne Shoemaker and Christine Gelley, from OSU Extension, for reviewing and contributing to this fact sheet.

Disclaimer: This information is intended to serve as a guideline. Prices will vary between meat processors.