



NEWSLETTER APRIL 2017 EDITION

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Thank you to all who attended the CMIC Clinic and Annual Meeting on January 26th in Parkers Prairie, MN. We would like to extend a thank you to the following for their continued support:

Minnesota Valley Irrigation, Wadena, MN
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Central Lakes College Ag & Energy Center, Staples, MN

If you have a topic that you would like to see discussed in a future newsletter please contact Keith Olander, CMIC Educational Advisor, Central Lakes College Associate Dean of Agriculture at 1830 Airport Rd, Staples, MN 56479 or phone 1-218-894-5163 or email kolander@clcmn.edu. If you are no longer interested in being on the CMIC mailing list please contact Keith at the above address with a subject of CMIC. Thank you for your input.

New Website <http://centralmnirrigators.com>

MN Legislative Update: Lawmakers return to full agenda

Posted on April 18, 2017

Minnesota State Legislators return to St. Paul on April 18 with a significant number of issues to address during the closing five weeks of the 2017 session. Leaders in both the House and Senate established earlier committee deadlines to better manage larger pieces legislation before the session is scheduled to end and to avoid the potential for a special session. As a result, several bills with impacts to the agriculture sector could be taken up soon.

STATE BUDGET

The Legislature and Gov. Dayton must approve a new, two-year state budget that takes effect on July 1. Not wanting the Governor to call a special session and to avoid a state government shutdown, legislative leaders are working to approve budget legislation on a schedule that provides sufficient time to negotiate a final bill with the Dayton administration. Prior to leaving on the legislative Spring Break, Gov. Dayton communicated several messages to lawmakers concerning budget legislation, including his desire for them to:

- Separate budget and policy legislation
- Make sure budget numbers “add up”
- Prepare for compromise

BUFFER LAW IMPROVEMENT

Proposals to modify the state’s water buffer law are under active consideration by legislators despite resistance by Gov. Dayton to make any changes in it. The Minnesota Corn Growers Association (MCGA) advocates improving the state’s buffer law by correcting its defective provisions. Proposed legislation in the House and Senate would push back the implementation date to Nov. 1, 2018 for buffers or [alternative water-quality practices](#), allowing time for farmers to become compliant. It would also clarify that 50-foot buffers are only needed on public waters classified as “shore-land” and those lacking that designation would only require 16.5-foot buffers. The DNR recently testified this change would affect about 48,000 miles of buffers.

WATER QUALITY STUDIES

The results of two significant water quality studies were issued in early April. Both validate MCGA’s assertion that the state must address all water quality issues on a statewide basis rather than focus solely on the agriculture sector.

A study recently released by the University of Minnesota tracked phosphorus and nitrogen levels found in the Twin Cities region of the Mississippi River to their respective sources. The report disclosed that 76 percent of the elevated phosphorus levels resulted from pet waste. Elevated levels of nitrogen result from the (over) use of lawn fertilizer in the urban and suburban areas. The report also noted that the conduit between a homeowner’s yard and the Mississippi River is the urban wastewater drainage system, which efficiently drains water from lawns, parking lots and streets.

Another study by the Cary Institute of Ecosystem Studies similarly concludes roadways are triggering increased levels of salt in the state’s lakes, which can kill aquatic wildlife. Even though MnDOT has reduced the amount of salt it puts on roadways during winter months, years of salt use appears to have taken its toll. Approximately 40 lakes and streams in the Twin Cities metro area are considered impaired, with chloride levels exceeding water quality standards. The study also warns more than 7,700 lakes in a 10-state region may have rising salt levels.

MCGA believes the state needs to take a “macro approach” in addressing all impacts to water quality – from homeowners to industry and even from governmental units.

DITCH MOWING

The Governor signed a bill that temporarily forbids the Minnesota Department of Transportation from requiring a permit to mow or hay in state highway rights-of-way. Last December, MnDOT announced its plan to require a permit for ditch mowing, and ag organizations, including MCGA, immediately called for a bill to prevent the practice. The moratorium will only last one year, however, and MnDOT will need to recommend a replacement procedure for permits to mow or hay in rights-of-way. The recommendation must be developed with input from agriculture and environmental groups and address the process, access priorities and wildlife habitat concerns.

MNSURE EXCHANGE

Before leaving on Spring Break, the Republican-controlled House passed an omnibus health bill that contained a provision to eliminate the MNsure health insurance exchange and revert to using the federal exchange instead. Supporters explain that the move will save the state millions of dollars while continuing to provide customers in the individual market a vehicle to purchase health insurance.

A total of 11 states and the District of Columbia currently offer state-run health insurance exchanges. Gov. Dayton opposes the elimination of the MNsure exchange and its CEO, Allison O’Toole, has recently embarked on a statewide media tour to explain the value behind the MNsure exchange and to discuss the recently passed reinsurance law.

SPRING BREAK COMMUNICATIONS

During the legislative Spring Break, MCGA called on its members and all of rural Minnesota to contact legislators and reiterate Greater Minnesota’s views concerning key ag-related issues. Harold Wolle, president of the Minnesota Corn Growers Association was featured on a statewide radio feed as well as authored a prominent opinion editorial that appeared in several newspapers. In addition, MCGA scheduled interviews with several media outlets to raise awareness of key issues that need to be decided in the closing weeks of the Legislature.

Source: <http://www.mncorn.org/2017/04/18/lawmakers-return-to-full-agenda/>



Census of Agriculture countdown begins

April 17, 2017

WASHINGTON — America's farmers and ranchers will soon have the opportunity to strongly represent agriculture in their communities and industry by taking part in the 2017 Census of Agriculture. Conducted every five years by the U.S. Department of Agriculture's (USDA) National Agricultural Statistics Service (NASS), the census, to be mailed at the end of this year, is a complete count of all U.S. farms, ranches, and those who operate them.

"The Census of Agriculture remains the only source of uniform, comprehensive, and impartial agriculture data for every county in the nation," said NASS Administrator Hubert Hamer. "As such, census results are relied upon heavily by those who serve farmers and rural communities, including federal, state and local governments, agribusinesses, trade associations, extension educators, researchers, and farmers and ranchers themselves."

The Census of Agriculture highlights land use and ownership, operator characteristics, production practices, income and expenditures, and other topics. The 2012 Census of Agriculture revealed that over three million farmers operated more than two million farms, spanning over 914 million acres. This was a four percent decrease in the number of U.S. farms from the previous census in 2007. However, agriculture sales, income, and expenses increased between 2007 and 2012. This telling information and thousands of other agriculture statistics are a direct result of responses to the Census of Agriculture.

"Today, when data are so important, there is strength in numbers," said Hamer. "For farmers and ranchers, participation in the 2017 Census of Agriculture is their voice, their future, and their opportunity to shape American agriculture – its policies, services and assistance programs – for years to come."

Producers who are new to farming or did not receive a Census of Agriculture in 2012 still have time to sign up to receive the 2017 Census of Agriculture report form by visiting www.agcensus.usda.gov and clicking on the 'Make Sure You Are Counted' button through June. NASS defines a farm as any place from which \$1,000 or more of agricultural products were produced and sold, or normally would have been sold, during the census year (2017).

For more information about the 2017 Census of Agriculture and to see how census data are used, visit www.agcensus.usda.gov or call (800) 727-9540.

–USDA NASS

Source: Morning Ag Clips

Farm Bureau Recognizes Earth Day

Minnesota Farm Bureau Federation (MFBF) encourages everyone to recognize every day as Earth Day.

"In agriculture, every day is Earth Day. April 22 is the day where we emphasize the importance of our natural resources and share agriculture's story," said MFBF President Kevin Paap. "As farmers, we pride ourselves in caring for our water, air, land and its resources. Conserving and protecting the earth for your children and ours is our top priority."

"Farmers are involved in numerous conservation efforts with the goal of protecting the environment, water and providing habitat for wildlife," said Paap. "Seeking continuous improvement using today's technology is a priority for today's farmers and ranchers in order to preserve the environment for future generations."

"Today's farmers produce food, fiber, feed and renewable fuel using tools such as global positioning satellites and biotechnology," said Paap. "Minnesota Farm Bureau is proud of the dedication and hard work of our farmer and rancher members who care for our natural resources while producing a quality, safe food supply."

Minnesota Farm Bureau representing Farmers • Families • Food is comprised of 78 local Farm Bureau associations across Minnesota. Members make their views known to political leaders, state government officials, special interest groups and the general public. Programs for young farmers and ranchers develop leadership skills and improve farm management. Promotion and Education Committee members work with programs such as Ag in the Classroom and safety education for children. Join Farm Bureau today and support our efforts to serve as an advocate for rural Minnesota, www.fbmn.org.

Minnesota farm incomes improved, marginally, in 2016

Media Contact: Allison Sandve, University of Minnesota Extension media relations, office 612-626-4077, ajsandve@umn.edu; Dale Nordquist, University of Minnesota Extension economist, 612-625-6760

Farmers needed a good year but incomes were only slightly better despite record yields

ST. PAUL, Minn. (March 28, 2017) — More than 30 percent of Minnesota farmers were in the red in 2016, the third consecutive year of declining commodity prices.

Record crop yields enabled crop producers to tread water financially, but incomes improved only slightly and the median crop producer didn't earn enough to meet family living needs. Many livestock farmers generally fared worse as milk, pork and beef prices hit new lows.

Those are among key findings in the annual farm income analysis conducted by the University of Minnesota Extension and Minnesota State. The analysis used data from 2,103 participants in the Minnesota State farm business management education programs and 103 members of the Southwest Minnesota Farm Business Management Association. Participating producers represent approximately 10 percent of commercial farmers in Minnesota.

Across all of these Minnesota farms, the median net farm income was \$35,636, up from \$27,478 in 2015. Net farm income represents the amount of income contributed by the farm to cover family living expenses, taxes, re-investments, and retirement. Since the 2007- 2012 period, when farm earnings were generally strong, net farm incomes have fallen dramatically and many farms have tapped into their working capital to meet financial obligations. The average of these farms now have only half the working capital they did at the end of 2012.

Crop farms: Big crop stems the tide

The median crop farm earned \$46,348, compared to \$27,462 last year. Including off-farm earnings, the average crop farm family made a modest improvement in their net worth.

Bumper crops across the Corn Belt filled elevators and farm storage bins this fall, but the big crop also affected prices. For the first time for this group of farms, the average corn yield topped 200 bushels per acre, up 19 percent from the 10-year average for these farms. But the average price received for corn declined by 9 percent. The story was similar for soybeans, wheat and most other crop commodities.

"Those extra bushels in the bin saved many of our farms from near disaster," said Ron Dvergsten, a farm management instructor at Northland Community and Technical College. "But we still have a lot of farms that are on the edge going into next year, and some are having trouble getting operating credit for 2017 right now."

Crops prices continue downward trend

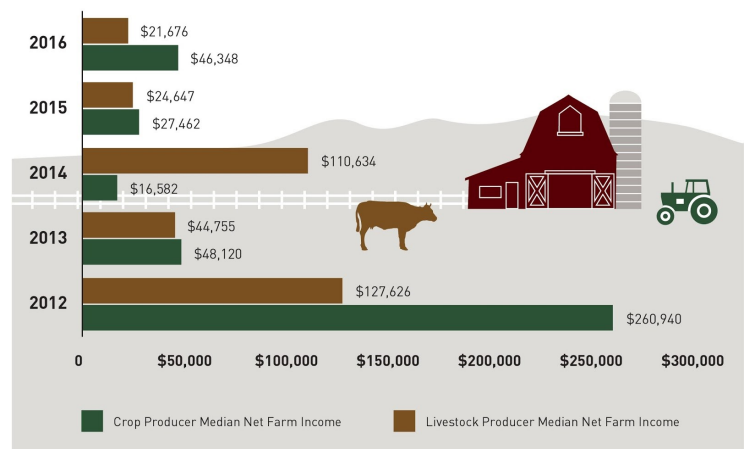
With outstanding yields across the Corn Belt, the downward spiral in prices that began in 2014 continued:

The average price received for corn sold by participating producers declined to \$3.42 per bushel in 2016, down from \$3.74 the year before.

- Soybean yields averaged 56 bushels per acre compared to a 10-year average of 44 bushels. The average producer sold soybeans for \$9.07 per bushel compared to \$9.45 the previous year.
- Wheat yielded 67 bushels per acre, up 8 bushels from the 10-year average. Wheat sold for \$4.78 per bushel, compared to \$5.26 in 2015, the first time prices have gone below \$5 per bushel since 2006, according to the university's database.

The 2016 sugarbeet crop was so plentiful that some was left behind in fields. The average yield harvested was 32.6 tons per acre, the highest in years. The average price received was \$39.10, a slight increase over 2015's \$37.87, but far from higher prices four and five years ago.

Minnesota Farm Income 2012-2016



Source: University of Minnesota Extension, Minnesota State

Livestock: Another year of low returns

Lower crop prices translated into lower feed costs for livestock producers but that did not help Minnesota producers enough to improve profits in 2016. For the second consecutive year, prices for every major livestock commodity decreased.

“The livestock industry is very cyclical,” said Dale Nordquist, Extension economist and co-director of the University’s Center for Farm Financial Management. “Livestock producers earned record profits in 2014; that jump-started investment and expansion. Now we are seeing downside of surplus production.”

The beef production industry was hit hard in 2016. It’s made up of cow-calf producers, who produce the calves, and cattle finishers, who buy and raise them to market weight.

The median beef producer lost over \$11,000 after losing almost \$10,000 in 2015.

- Calf producers lost about \$70 per cow on an average of 71 cows. Many Minnesota cow-calf producers also have off-farm jobs and may not rely on beef calf sales for their primary income.
- Cattle finishers have suffered major losses in the last two years. In 2016, they lost \$77 per head. That is an improvement over 2015, when they lost almost \$300 per head.
- The market price of beef decreased from \$1.48 per pound in 2015 to \$1.19 in 2016.

Dairy profits declined again in 2016.

The median dairy farm earned \$31,563, down from just over \$45,000 in 2015.

- The average price received for milk decreased by 8% percent, from \$17.95 per hundred pounds in 2015 to \$16.57.
- With the average costs of production around \$16.00, dairy producers netted less than 60 cents per hundred pounds of production, or \$135 per cow.
- The average dairy farm milked 180 cows.

Pork producers also lost money in 2016.

The median hog farm has invested over \$4 million in its business but lost just over \$4,000 in 2016.

- The price of live hog sales decreased to 50 cents per pound in 2016, down from 55 cents the previous year.
- Pork producers lost about 3 cents on every pound of pork sold.

Mixed expectations for the year ahead

Some farms will have to make major adjustments in the coming year in order to continue farming. Like any business, every farm has a different cost structure and some farms are doing better than others. The average farm’s balance sheet is still strong, but there are obvious signs of financial stress. Requests for participation in the Extension-run [Farmer Lender Mediation program](#), where debtors and creditors negotiate with a mediator, have increased. Many farms have already restructured debt to lengthen terms and free up cash flow.

Looking forward, there are some areas of optimism. Costs have decreased as land rental rates and other inputs adjusted to lower price conditions. Lower fertilizer and fuel prices, in particular, will help.

Given recent increases in milk and pork prices, there is also optimism that dairy and hog farm profits will improve in 2017. Beef prices are expected to remain depressed, however, limiting prospects for recovery for the beef industry.

“We work with these producers to try to put together cash flow projections that work,” said Keith Olander, director of the Minnesota State Agriculture Center of Excellence, North (AgCentric). “That has been a real challenge the last couple of years. Record crop yields stopped the bleeding for a lot of producers this year, but we can’t plan on that every year.”

The statewide results are compiled by the Center for Farm Financial Management using the FINBIN database, which can be queried at www.finbin.umn.edu.

[Minnesota State](#) includes 30 community and technical colleges and seven state universities serving approximately 400,000 students. It is the fourth-largest system of two-year colleges and four-year universities in the United States.

[University of Minnesota Extension](#) discovers science-based solutions, delivers practical education and engages Minnesotans to build a better future. A partnership among the University, federal, state and county governments, Extension addresses critical public issues in food and agriculture, communities, environment, youth and families.

For more news from U of M Extension, visit www.extension.umn.edu/news or contact Extension Communications at extnews@umn.edu. University of Minnesota Extension is an equal opportunity educator and employer.

Cover crop survey seeks farmer input – Your opinions will help guide policy, research, and education nationwide

April 18, 2017



WASHINGTON — Farmers who plant cover crops, used to plant cover crops, or have never tried cover crops are all encouraged to take this survey:

<http://tinyurl.com/2017coverssurvey>

Thank you for choosing to share your perspective on cover crops.

The number of survey questions you will be asked depends on your farm(s), but you can expect the survey to take five to 10 minutes in most cases, or slightly longer for somebody who is growing a wide variety of crops and using cover crops in various ways.

Your opinions will help guide policy, research, and education on cover crops nationwide. Please take a few minutes and share your thoughts by completing the survey.

[See the results of the previous four years of the survey.](#)

The survey is being conducted by the Conservation Technology Information Center (CTIC), USDA Sustainable Agriculture Research and Education program (SARE), and the American Seed Trade Association (ASTA), with help from Penton Media through their *Corn and Soybean Digest* publication.

If you have issues with this survey or questions, please direct them to Chad Watts at the Conservation Technology Information Center at (765) 494-9555 or via email at watts@ctic.org.

—Andy Zieminski
SARE

Source: *Morning Ag Clips*



Minnesota FFA: “All In: Our Legacy Starts Now”

88th Minnesota State FFA Convention

April 23-25, 2017



CLC Ag & Energy Center
1830 Airport Rd
Staples, MN 56479

ADDRESS CORRECTION REQUESTED



Save the Date:
CMIC Annual Meeting
January 18, 2018



<http://centralmnirrigators.com/>