Strategies to Improve Your Bottom Line

In the world of commodity markets, farmers are price takers, meaning that they have no price-setting power. Rather, they must accept prevailing market prices. So, what can commodity farmers do to keep their heads above water in a depressed ag economy? Well, one of the best ways to offset diminishing revenues is reducing operational expenses. Here are a few suggestions of how to trim the fat from a farm enterprise:

- **Fuel:** Every field pass burns diesel. A farm can reduce diesel expenses by adopting a farm management system that uses the fewest possible passes per year to accomplish their cropping goals. For example, an average conventional tillage system burns roughly 6 gal./ac./yr., while a no-till system, burns roughly 2 gal./ac./yr. With current #2 diesel prices sitting around $3.00/gallon, that amounts to a savings of $12.00/acre/year.

- **Pesticides:** Use pesticides as one part of an Integrated Pest Management system that considers the environmental conditions, which allow pests to become a problem in the first place. Monitor your crops and use field observations to decide when it’s worth spraying to avoid spending money solving a problem you don’t necessarily have.

- **Fertilizer:** Are your cropping goals based on yield or profit? When the current price of corn and the current cost of fertilizer are considered, the biggest yields don’t always correlate with the biggest profit. Test soils to assess what nutrients you already have access to, credit your manure and legume nutrients, and assess current crop prices and fertilizer costs before deciding how much money you’re willing to spend on fertilizer.

- **Depreciation:** Depreciative costs are easy to overlook. They gradually accumulate, until they can’t be ignored. The best way to cut these costs is to simplify. Consider if it is worth owning all of your equipment. Would it make sense to outsource custom work, or transition to a farm management system that has fewer associated depreciative costs. For example, a single no-till planter can replace several implements (planter, primary tillage, secondary tillage, etc.) and requires a lower horsepower, less expensive tractor to run.

- **Time and labor:** Every hour spent working on the farm costs something. Even if you aren’t writing yourself a check for that time, there’s always an opportunity cost associated with it. Make sure that you track the hours spent working and consider how different farm management systems can potentially streamline your enterprise.
Planning for Soil Test Sampling

The fall of 2018 presented many challenges with delayed harvests. If you were unable to get soil samples because the ground was wet or frozen, don’t worry. Soil samples can be taken this spring or it can even wait until summer or fall.

A common concern with soil sampling is the cost. However, when a producer collects their own samples it can cost as little as $0.40 per acre per year! Here’s how that cost is broken down: 1 sample is required per 5 acres and the cost of lab analysis per sample is typically $8.00 (for samples collected by the producer), so $8.00 per sample ÷ 5 acres per sample = $1.60 per acre, and because samples are collected once every 4 years, $1.60 per acre ÷ 4 years = $0.40 per acre per year. To put this in perspective, the price of 9-23-30 fertilizer is about $0.23 per pound, meaning the annual cost per acre to sample soil is roughly equivalent to less than 2 pounds of fertilizer. If your nutrient management plan saves you just 2 pounds of fertilizer per acre, those soil samples have already paid for themselves!

Another suggestion, is to sample soils when time and crops permit. For hay fields, collect a sample after a cutting and for corn silage, get a soil sample immediately after harvest. Don’t wait until all fields are harvested, do what you can, when you can. Just remember that if soil samples are not going to be taken to a lab within 48 hours, it is a good idea to freeze them.

When taking samples, there are a few things to keep in mind. Samples should only be taken from areas that accurately represent the field. Avoid sampling areas such as dead furrows, lime or manure piles, near fences, roads, or end rows, or in eroded knolls and low spots. The sampling probe or auger should be inserted into the soil to plow depth or at least 6 inches. The sampling depth should be consistent. Also, collect at least 1 composite sample for every five acres, composed of at least 10 cores or borings. To collect the 10 cores, walk in the “W” pattern, to give an accurate representation of the field (as seen below).

Spring Runoff

April’s wet and cold conditions have left many itching to get some fieldwork accomplished. However, there are a few things that need to be kept in mind as planting begins.

**COMPACTION** is a major concern when working wet soils. Working saturated soils can lead to smearing of the soil surface and compaction deeper within the soil profile, effectively compromising soil structure. Wet soils can clod during planting, causing damage to the seed bed and side wall compaction. Furthermore, seed furrows will not close properly, leading to poor seed-to-soil contact and an overall poor stand.

Waiting a few days for suitable conditions, can mean saving your crop from an avoidable yield drag.

**MANURE SPREADING** should be done with caution. Be sure that you are aware of any weight restrictions on the roads before you head out to haul.

Manure runoff is also a concern when spreading during wet times. Check the Wisconsin Runoff Risk Advisory Forecast at the website below whenever you are considering spreading manure. The forecast shows daily runoff risk by watershed throughout Wisconsin by using precipitation, temperature, soil moisture, and landscape data.

**Identify emergency manure storage/stacking areas in your Nutrient Management Plan so manure storage space never runs tight.**

**PLAN AHEAD** for future wet springs. If you see areas of the field beginning to gully, do yourself a favor and fix it now. If you consistently receive marginal yields from these areas, it might be worth planting them to perennial vegetation to avoid further topsoil loss. Alternatively, adding cover crops to your crop rotation may help to alleviate erosion and buffer extreme weather, providing topsoil with a living armor throughout the year.

http://www.manureadvisorysystem.wi.gov/runoffrisk/index
Status Reviews and Eligibility

Landowners currently participating in the Farmland Preservation Program (FPP) can expect to have county staff review their land every four years. The status review is to ensure the land continues to meet the state soil and water conservation standards and maintain eligibility for FPP.

If you are a current FPP participant and your land was last reviewed by our staff in 2015, your land will be reviewed again in 2019. There is a fee associated with this status review.

If your land is due to be reviewed, you probably received an invoice from our office in the mail. Please return the invoice with payment to our office. Once we receive a paid invoice, we will set up a time that is convenient for you to meet on your farm.

The status review fees are based on acres eligible for FPP enrollment:

- 1-100 acres = $50
- 101-200 acres = $100
- Each additional 200 acres = $50

All of your farm acres need to meet the state soil and water conservation standards (listed to the right) in order to stay eligible for FPP. Depending on your land, all of the conservation standards may not apply. However, participants with Farmland Preservation Agreements signed prior to 5/1/2014 do not need to meet the underlined requirements.

No-till Drill & Tree Planter Rentals

As the growing season gets going, we’d like to remind you that Marathon County has a variety of no-till drills available to rent for your spring planting needs.

Three no-till drills are available to rent. These drills can be used to plant crop fields and interseed pastures. Please Note that they should only be used on fields with greater than 30% residue.

The no-till drill base rental fee is $50, plus $8 per acre seeded. The following drills are available:

**GREAT PLAINS 10’ wide drill** is heavy and requires a 70 hp tractor. It has two seed boxes; one for legumes and small grass seeds and one for grass seeds up to peas.

**TRAUX 8’ wide drill** is great for interseeding clovers and small seeded grasses into existing pastures. It works best in pastures that are not overly dense.

**TYE 7’ wide drill** has 3 seed boxes and a fertilizer box. It can seed a variety of species with variable rates in each box.

Two tree planters are also available to rent. The rental fee is $25 per 1,000 trees, with a minimum fee of $75. The following tree planters are available:

**TRACTOR-OPERATED HYDRAULICS** tree planter “Pioneer” type hydraulic hose ends that fit most tractors; a set of John Deere adaptors are also available.

**SELF-CONTAINED HYDRAULICS** tree planter is operated by a motor on the hoses and must be operated by the planter.

If you would like to rent equipment from Marathon County please contact Bill Kolodziej at 715-261-6038 or william.kolodziej@co.marathon.wi.us

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State Soil and Water Conservation Standards

**Cropland & Pastures:**
- Develop and follow a Nutrient Management Plan on cropland and pastures
- Meet tolerable soil loss ("T") on cropland and pastures
- Follow the WI Phosphorus Index to control P-runoff

**Livestock:**
- Prevent direct runoff from feedlots, barnyards, and stored manure into waters of the state
- Prevent discharge of process wastewater (milkhouse waste, feed leachate, etc.) into waters of the state

**Manure Storage:**
- No failing or leaking structures
- Prevent overflow
- Close idle structures
- Meet technical standards for newly constructed or altered structures

**Water Quality Management Areas (WQMA):**
- Stack manure outside of WQMAs
- Divert clean water from feedlots, barnyards, and stored manure located in WQMAs
- Maintain 5 ft. tillage setback along surface waters
- Manage livestock access to maintain vegetation and

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Interested in earning an annual tax credit of up to $10.00 per acre?

- According to the most recent 2017 Wisconsin Ag Statistics Census, the size of an average farm in Marathon County is 212 total acres. Through the Farmland Preservation Program (FPP), landowners can earn an annual state income tax credit of between $5.00 and $10.00 per acre, depending on their land’s location. This means that the average Marathon County farm potentially qualifies landowners to receive a state income tax credit of between $1,060.00 to $2,120.00 per year!

- Good news! If you’re receiving this newsletter, you own land that is potentially eligible to participate in FPP.

Please look inside to find out more about the Farmland Preservation Program.

For your FREE on farm visit to determine FPP eligibility, call Marathon County CPZ today:

- Patrick Bula  (715) 261-6045  patrick.bula@co.marathon.wi.us
- Kirk Langfoss  (715) 261-6008  kirk.langfoss@co.marathon.wi.us
- Matt Repking  (715) 261-6010  matthew.repking@co.marathon.wi.us