I read an article written by a recently retired Farm Management Agent from Virginia on what he considered as the Top 11 Management Pitfalls farmers make in managing their farm business. I wanted to pass these suggestions along with some of my own ideas.

1. **Not Knowing your cost of Production (COP)** - Knowing your cost of production is the lynchpin for profit and developing a marketing program. It is important to have accurate budgets for all the crop and livestock enterprises. Every management decision begins with knowing your COP. If you have a good set of farm financial records and know how to use a spreadsheet, you have no excuse for not knowing your COP.

2. **No plan for transferring the farm to the next generation** - Life happens, but without adequate planning and preparation it may not happen the way you desire. Transitioning the farm is a long-term, on-going and arduous process encompassing every segment of the farm and family. You need to start early, involve everyone, and modify as life provides changes.

3. **Inadequate financial recordkeeping** - If you keep your financial records only for tax preparation, Uncle Sam appreciates your efforts but you have given up a management tool for determining COP and making profitable decisions. Without adequate records for making decisions your outcomes are based on guesses and wishes. You can pick up or have ordered at your county Extension office the *Missouri Farm Tax Record Book* – FM6701. My recommendations for computer financial record keeping are Quicken and QuickBooks. The *Missouri Farm Tax Record Book* is now available as an Excel spreadsheet.

4. **Lack of a clearly defined business plan** - Farmers are great at planning day-to-day production activities but long-term plans get lost in the everyday work. Planting the crop,
breeding the cow, and marketing the crop must happen, but determining how each cog relates to profitability will keep you in business for the next generation.

5. Lack of Communication - Farmers tend to be uncommunicative, but family businesses have many official and unofficial partners with a stake in the business. It is important to keep these partners (spouse, children, employees, lender, landowners, equipment dealer, farm supply dealer, etc.) aware of what you are doing at least to the level of their involvement.

6. Avoiding or deferring taxes - The desire to not pay taxes leads to tax decisions that may have long-term negative implications rather than decisions that manage for long-term profitability. We often forget that the tax bill will come due sometime in the future.

7. Lack of financial reserves – Having adequate financial reserves makes weathering tough times less difficult. This current economic downturn has changed the landscape and businesses will need to depend on these reserves in conjunction with tools provided by their lender.

8. Not managing family living expenses - The family can be a black hole in sucking up money. The only way to manage that black hole is to know what it costs your family to live and then to manage your resources.

9. Following your neighbor - Farming operations are different and the factors that drive your neighbor's decisions are not the same factors you deal with. Why should you follow him? I bet he did not get to be successful following his neighbor.

10. Jumping on the latest and newest enterprise - The learning curve for new enterprises is steep and expensive. A lot of homework needs to be done before launching a new enterprise. The right idea, coupled with the right resources, markets, and management traits are essential in raising an idea from the kitchen table to a profitable enterprise.

11. Not training the next generation - Farmers are good at teaching the younger generation about production but less so about financial management. This has a lot to do with a lack of communication, murky long-term plans, and willingness to share control. If the farm is going to survive for generations, that training must occur.

David Reinbott, Agriculture Business Specialist, University of Missouri Extension, Benton, MO.

Grazing School in Doniphan

July 12 - 14, 2011
Held at the Ripley County Fairgrounds in Doniphan, Missouri.

Upon completing the course, participants will be qualified to participate in specific cost share programs with the Soil and Water Conservation Districts and the Natural Resource Conservation Service.

For more information, or to register, please contact the Ripley County SWCD office at 573-996-7116 ext. 3. Registration is $90 per person or $125 per couple.
Crop Insurance—Delayed and Prevented Planting Provisions

My goal is to give some insight and clarity to the delayed and prevented planting provisions of crop insurance. The most important first step is to contact your crop insurance agent before you make any decisions on the planting, replanting or abandoning of acres. There are many rules and regulations that need to be followed so it is important that you stay in close contact with your crop insurance agent. Each crop and insurance product has its own special rules and regulations that need to be followed.

Below are links to guides that will help you in understanding the delayed and prevented planting provisions. At the end of the publication from Iowa State, there is a flow chart that I found very helpful.

Iowa State University - http://www.extension.iastate.edu/agdm/crops/html/a1-57.html

University of Illinois - http://www.farmanddaily.illinois.edu/2011/05/prevented_and_late_planting_pr.html


You must remember the final planting dates and the late planting periods are different for each state and for each crop. Missouri’s provisions will be different from Illinois, Kentucky and Arkansas.

**Planting Dates for Southeast Missouri**

**Corn** - May 10 Final Planting Date // Late Planting Period 20 Days – Ends May 30 in the counties of Butler, Dunklin, Mississippi, New Madrid, Pemiscot, Scott, and Stoddard.

**Corn** - May 25 Final Planting Date // Late Planting Period 20 Days – Ends June 14 in the counties of Bollinger, Cape and Perry.

**Soybeans** – June 25 Final Planting Date // Late Planting Period 25 Days – Ends July 20 in all counties in Southeast Missouri except Perry

**Soybeans** – June 20 Final Planting Date // Late Planting Period 25 Days – Ends July 15 in Perry county only.

**Soybean Replant Payment equals 3 Bushels X $13.49**

**Rice** - May 25 Final Planting Date // Late Planting Period 15 Days – Ends June 1.

**Rice Replant Payment equals 400 lb. X $0.161**

**Cotton** - May 20 Final Planting Date // Late Planting Period 15 Days – Ends June 5

**Important Points to Know**

If a second crop is planted before the end of Late Planting Period for the Prevented Planted crop, no prevented planted payment will be paid. The revenue guarantee will be reduced 1% per day on all crops planted within the Late Planting Period. The original planting date and acreage on replants should be reported to your insurance agent as soon as possible. If the first crop fails and you are not planting back to the same crop, make sure you call your crop insurance agent. First crop losses must be reported and a claim submitted before you can plant a second crop.

David Reinbott, Agriculture Business Specialist, University of Missouri Extension, Benton, MO.
**Soybean Planting: Using Inoculant in 2011**

Soybean plants are a legume and require nitrogen. Soybean acquire up to 75% of this nitrogen from the atmosphere through a symbiotic relationship with *Bradyrhizobia japonicum* (rhizobia for short). Rhizobia are living bacteria which enter and colonize soybean roots. These colonies are located in nodules (wart-like growth on the roots). Nodules should not be confused with cysts from soybean cyst nematode (SCN). Viable nodules will have a pink to red interior because of leghaemoglobin.

A healthy and numerous population of rhizobia bacteria specific to soybean should be in fields to maximize soybean production. Numerous biotic and abiotic factors can influence rhizobia populations.

The primary concern in 2011 is too much water. Rhizobia require oxygen. Typically anaerobic conditions begin in fields that remain flooded or even super saturated in approximately 48 hours. Therefore, fields that remain anaerobic for more than 48 hours increase the risk of rhizobia loss. As anaerobic conditions persist more rhizobia will be lost.

The recommendation is that for fields that remain under anaerobic conditions for 7 days or longer a seed inoculant specific to soybean should be considered. Keep in mind inoculant is living bacteria and should be handled according to package directions to prevent loss of the rhizobia. The related link is from Iowa State University:

http://extension.agron.iastate.edu/soybean/production_seedinoc.html

For more information on soybean inoculant contact your local MU Extension office.

Anthony Ohmes, Agronomy Specialist, University of Missouri Extension, Caruthersville, MO.

Left: Section cut of a root nodule. The red color originates from the plant-derived protein leghaemoglobin which reversibly binds oxygen.

Right: Nitrogen-fixing *B. japonicum* bacteroids in an infected soybean root nodule cell.
Maintaining Livestock Health After a Flood

Adapted from North Dakota State University

Issues of Disease Control and Sanitation
If your fields or farm buildings have been flooded, take special precautions against flood-related accidents or diseases in poultry and livestock. Give animals extra care, particularly if they have been stranded by floodwater, and have been off regular feeding schedules. Keep fields clear of harmful debris, and clean buildings as soon as possible. In addition, watch for signs of flood-related diseases, such as lameness, fever, difficulty breathing, muscle contractions or swelling of shoulder, chest, back, neck or throat. Be prepared to contact a veterinarian if you spot trouble.

Disease Control
Following a flood there may be danger of infectious diseases in livestock, but unless serious outbreaks of infection have occurred recently, the situation should not be alarming. Observe these precautions:
Where large numbers of animals are assembled, watch for any indication of infectious diseases such as pneumonia, foot rot or leptospirosis. These diseases are more likely to occur where cattle are crowded on wet ground and where horn flies and houseflies are abundant.
Promptly report any sign of disease to a local, state or federal veterinarian.
Contact a veterinarian about vaccinating animals for immunity from flood-related diseases such as anthrax, blackleg and swine erysipelas.

Feed and Water
Provide clean, uncontaminated water.
Inspect feeds such as corn, wheat and hay. Do not feed flood-damaged or moldy hay unless it has been tested for mycotoxins, toxic substances produced by fungi.
Do not use any feed or forage that may have been contaminated by chemicals or pesticides.

Pastureland
Standing water may have ruined some pastures. Lack of adequate forage could force animals to eat poisonous plants. Remove fallen wild cherry limbs from pastures to prevent livestock poisoning.
Before restocking flooded pastures, remove debris, especially along fence lines and in corners. Livestock could be injured from pieces of barbed wire, sharp metal and trash.

Sanitation
Clean out hog houses, barns and chicken houses. Spray buildings with a good disinfectant before animals occupy them again. Air buildings thoroughly to dry them out.
Dispose of animal carcasses promptly. If there is no rendering company operating nearby, burn or bury carcasses deeply in a place approved by your local soil conservation office.

Insects
Mosquitoes and other pests may be abundant after a flood. They not only annoy animals, but some species carry disease. Spray animals with an insect repellent as recommended by your county agricultural agent.

Kendra Graham, Livestock Specialist, University of Missouri Extension, Greenville, MO.
Recent flooding may have forced farmers to put livestock on emergency pastures, in dry lots or on the whole farm if fences have been washed out. These situations can allow animals access to plants that may be poisonous. Most of the time poisonous plants taste or smell bad to the animal. However, if the animal is desperate for something to eat, a poisonous plant may taste pretty good. Animals can also accidentally eat a poisonous plant when grazing or eating grains. With the high prices for livestock it is well worth the time and effort to kill out these plants or divert animals away from them.

There are several poisonous plants common to Missouri. Jimsonweed, snow-on-the-mountain, croton and wild indigo are typically found in open pastures. Shady areas normally house plants like white snakeroot, bracken fern, pokeweed, and buckeye. Creeks and ditches serve as growing areas for water and poison hemlock, black nightshade, and horsetail. Fields that have been cultivated can accommodate cocklebur, jimsonweed, milkweed, pigweed and johnsongrass in them. Wild cherry, milkweed, and pokeweed are found along fence and hedgerows.

Several signs associated with the consumption of toxic parts of plants are difficult breathing, dilation of the pupils, poor appetite, staggering, weakness, convulsions, paralysis, diarrhea, vomiting, excessive salivation, high fever, bloat, and possibly death. Horses tend to have more problems with toxicity due to the fact that they cannot vomit. If you suspect any of your animals consumed a poisonous plant call a veterinarian immediately. If the animal has died the stomach contents need to be analyzed to determine which type of plant was eaten. Inspect your pastures and fence rows for suspicious plants and have them identified by your local extension office or the Weed Identification Service at the University of Missouri. It is best to remove your livestock from the infected area until all of the poisonous plants have been destroyed. Eradicate the toxic plants by mowing or spraying with the recommended herbicide.

For more information on poisonous plants and their effects on livestock contact your local University of Missouri Extension office and ask for MU Guide G 4970.

Kendra Graham, Livestock Specialist, University of Missouri Extension, Greensville, MO.
Flood Recovery

The U. S. Small Business Administration (SBA) offers low-interest loans to homeowners, renters, businesses of all sizes and private, non-profit organizations. SBA disaster loans are the primary source of money to pay for repair or replacement costs not fully covered by insurance or other sources. **WHAT YOU NEED TO DO:** Begin by registering with FEMA at 800-621-3362. Homeowners and renters should submit their SBA disaster loan application, even if they are not sure if they will need or want a loan. If SBA cannot approve your application, in most cases they refer you to FEMA’s Other Needs Assistance (ONA) program for possible additional assistance. **THREE WAYS TO APPLY TO SBA** (after you register with FEMA). Call SBA at 800-659-2955 or visit their website at [http://www.sba.gov/content/current-disaster-declarations](http://www.sba.gov/content/current-disaster-declarations). You may apply online using SBA’s Electronic Loan Application at: [https://disasterloan.sba.gov/ela](https://disasterloan.sba.gov/ela) or by completing a paper application and mail to SBA at: 14925 Kingsport Rd., Ft. Worth, TX 76155-2243.

**U.S. Department of Agriculture** is authorized to provide emergency assistance for various disaster relief programs under the Robert T. Stafford Disaster Relief, Emergency Assistance Act of 1987, Agriculture disaster declarations, the Food and Nutrition Act of 2008, as well as other authorizing legislation. These programs are summarized in Fact Sheet: USDA Programs That Assist Individuals and Small Businesses - May 2011 found at [http://extension.missouri.edu/butler/documents/5-6-11%20FINAL%20MASTHEAD%20USDA%20Disaster%20Assistance%20FACT%20SHEET.pdf](http://extension.missouri.edu/butler/documents/5-6-11%20FINAL%20MASTHEAD%20USDA%20Disaster%20Assistance%20FACT%20SHEET.pdf)

Included in this fact sheet is information on Nutrition Assistance; Landowners, Farmers, Ranchers and Producers Assistance; Crops; Loans; Housing Assistance; Livestock, and Honeybees and Farm Raised Fish to name a few:

**MAESTRO** is a program funded by the U.S. Department of Energy and operated by the Missouri Department of Agriculture, University of Missouri and EnSave, Inc. The program offers Farm Energy Management Plans, Technical Assistance and Home Energy Audits to those who have livestock. MAESTRO looks at ways to save energy on the whole farm including the farm residence through the installation of energy efficient equipment. Program changes to aid flood victims in Missouri who have livestock on their farm operation include:

1) Bypass the home audit to speed up the process and continue to offer a low interest loan.
2) Extend the Implementation Grants to homes.
2) Waive the initial cost of the audits, TAs and EMP for flood victims. For more information contact Van Ayers, Agriculture and Rural Development Specialist at 573-568-3344.

**Missouri Health Department** - It is important to test well water after flooding in case of bacteria contamination. The Health Department has test kits available for water testing. The kits must be picked up from a local Missouri office. Normally there is a $10 fee associated with the water test but for clients affected by the flood the fee is being waived. Contact your local County Health Department for more information.

**The Supplemental Revenue Assistance Payments (SURE)** Program. In order to be eligible for SURE, a producer is required to have obtained a crop insurance policy or Non-insured Assistance Program (NAP) coverage, unless they are a socially disadvantaged, limited resource or beginning farmer or rancher.
Grow Your Farm

A 10 week educational and support program designed to evaluate and plan your existing or beginning farm enterprise. Connect with University specialist and innovative farmers as they present ideas for successful farming operations. Topics include:

10 Week Program
Tuesday’s from 6p.m.-9p.m.
June 07, through August 02, 2011

For information contact: Donna Aufdenberg at 573-238-2420
Registration Deadline: June 03, 2011  Registration Fee: $225 before a $100 scholarship.

Equal opportunity is and shall be provided to all participants in Extension programs and activities, and for all employees and applicants for employment on the basis of their demonstrated ability and competence without discrimination on the basis of their race, color, religion, sex, sexual orientation, national origin, age, disability, or status as a Vietnam-era veteran. This policy shall not be interpreted in such a manner as to violate the legal rights of religious organizations or military organizations associated with the armed forces of the United States of America.