Podcast Pick of the Month

Author: Beef Cattle Institute at KSU

Topic: 5 Areas of Risk, Pre-Weaning Mortality, PRF Insurance

This may be a little millennial of me, but the ease of turning on a podcast in the morning on my way to work while I sip my hot coffee is something I have come to enjoy. Whether you’re on your way to work, cutting corn in the combine, or checking cattle, podcasts can bring the information & education straight to you.

Check out this month’s Podcast Pick of the Month. Listen to Dr. Phillip Lancaster, Dr. Bob Larson, Dr. Dustin Pendell, and Ag Risk Consultant Ross Bronson discuss 5 Areas of Risk, Pre-Weaning Mortality, and PRF Insurance. All you have to do is pull up your camera on your smartphone, point it towards the QR code, and click the link. You can also find it at https://www.centralkansas.k-state.edu/livestock

Feed Testing - Things to remember

Fall is almost here. Which means the time for forage and hay testing is approaching. Whether you feeding it to your own livestock or selling it, knowing an accurate nutritive value of your feedstuffs is a vital tool for proper management practices.

When sampling hay, you’ll want to ensure you are submitting a sample for each ‘lot’ of hay, which is defined as up to 200 tons of dry matter baled from the same field, cutting, and stage of maturity. For example, you wouldn’t want to collect samples from hay that was cut at different times, even if it is from the same field, and vice versa. A silage lot is similar, in which it consists of forage from the same field, cutting, maturity, and harvest date.

A few things to remember

• When sampling forage or hay, collecting an accurate or well representative sample is extremely important.
• When sampling standing forage, it is suggested you collect eight samples at grazing or harvest height from a 1 sq. foot area at each of those eight locations. You can then ‘sub-sample’ from each to create one accurate sample.

• When taking sample of hay, always use a hay probe or core sampler. It is suggested you collect from 15-20 bales in that specific ‘lot’ of hay. You can then ‘sub-sample’ from each to create one accurate sample.

• When taking a sample of silage, collect 2 gallons from about 10 locations and mix them in a clean container. It is suggested that you remove 2 to 3 feet of the top silage to avoid sampling spoiled material. Combine all samples together and collect a subsample for analysis.

• Try and submit your sample for testing immediately or soon after you’ve collected it. This only increases the accuracy of the sample.

Testing at the extension office
1. Bring in a proper sample of the feedstuffs you would like to be tested to the extension office.
2. Feed will be transferred in to the proper bag to be sent off for testing.
3. Results & billing will come directly to you via email or mail.
4. If you need help interpreting testing results or developing a ration, feel free to give Justine a call at 785-392-2147.

For those that do not have hay probes, the extension office has two hay probes available for producers to check out. If needed, a $150 deposit is required and will be returned once the probe is returned. Probes must be returned in good condition.

By Justine Henderson, Livestock Production Agent

Livestock Risk Protection – What is price insurance worth?

By Jennifer Ifft, Agricultural Policy Extension Specialist and Sandy Johnson, Extension Beef Specialist, Colby

Livestock Risk Protection (LRP) is price insurance that pays out when market prices for feeder cattle (or fed cattle) are lower than expected. For example, if a producer calves in March and sells weaned calves around September, they can purchase LRP in March and “lock in” September futures prices. If by September, actual prices are lower than expected, they may receive a payment, or indemnity.

Two primary questions on insurance are “how much does it cost?” and “how much will I get paid?” Insurance also involves a “guarantee” or an estimate of how much revenue you can expect to receive for your cattle. The guarantee can help a producer understand (1) how much money is at stake and (2) the value of insurance.

In the example below, we show the LRP guarantee for a producer who is calving in September
2022 and plans to sell 50 calves in April 2023. If the producer purchased an LRP endorsement for ‘unborn steers and heifers’ on June 28, they would have selected a coverage price in the range of $172 to $191 per cwt, with producer premiums ranging from $2.13 to $7.48 per cwt. The producer must also select a target weight that, in addition to the coverage price, determines the LRP guarantee: coverage price times the target weight. For this example, we assume a target weight of 550 pounds or 5.5 cwt.

<table>
<thead>
<tr>
<th>Table 1. LRP guarantee and premium for different coverage prices</th>
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<tbody>
<tr>
<td>Coverage Price</td>
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<tr>
<td>$191.09 (99.7% coverage level)</td>
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<tr>
<td>$182.69 (95.3% coverage level)</td>
</tr>
<tr>
<td>$172.19 (89.9% coverage level)</td>
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</tbody>
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Note: Premiums are estimates only for June 28, 2022; coverage prices and premiums change on a daily basis based on market fluctuations. The LRP expected price for April 2023 feeder cattle (unborn steers and heifers) is $191.64/cwt. Guarantees and premium estimates are rounded to the nearest dollar. The total guarantee and premium are based on 50 head of 550-pound calves.

LRP indemnities make up the difference between the total guarantee and actual revenue, or on a per cwt basis: (coverage/expected price x target weight) – (actual price x target weight). Why does a producer need to consider the guarantee, in addition to the premium? First, understanding how the guarantee is calculated can help a producer understand sources of risk that LRP does not cover. While the LRP guarantee is based on national prices, producers could also experience larger drops (or increases) in their local or cash price than in the futures market (on which LRP prices are based). Second, knowing the value of the guarantee can help a producer better understand the amount of income at risk from price declines and the potential value of LRP to their operation. Third, estimates of expected revenue based on the LRP guarantee might be valuable for a lender, potentially leading to additional credit being extended or more favorable terms.

To summarize, the LRP guarantee is a measure of the income that LRP can protect for a cow-calf operation. Understanding the amount of revenue at risk or the insurance guarantee, as well as local price risk, is an important aspect of the insurance decision.
What Producers Should be thinking about in October

BEEF -- Tips by Dale Blasi, Extension Beef Specialist

Cow Herd Management

- Given unforeseen weather and market price volatility, price byproducts, grains and other feedstuffs on a per nutrient basis.
- Do you have sufficient harvested forage to encounter a potentially severe winter feeding season?
- Conduct an inventory of harvested forages and determine if you have an adequate supply on hand.
- Pregnancy check.
- Cull cows because of:
  - Open
  - Late vs. Early calving
  - Soundness - udder, feet/legs, eyes, teeth, disposition
  - Productivity - Most Probable Producing Ability (from herd performance records)
  - Disposition
- Body Condition Score - Provide thin cows (body condition score 3s and 4s) extra feed now. Take advantage of weather, stage of pregnancy, lower nutrient requirements, and quality feedstuffs.
- If body condition scores warrant it, you may want to start feeding supplements in late October to mature cows using these guidelines:
  - Dry grass 1½ - 2 lb. supplement/day of a 40% CP supplement
  - Dry grass 3 - 4 lb. supplement/day of a 20% supplement
  - Dry grass 10 lb. good nonlegume hay, no supplement needed
    (heifers may need more supplement than older cows)
  - Supplement nutrients that are most deficient.
  - Compare supplements on a cost per pound of nutrient basis.
- Utilize crop residues.
  - Grazing crop aftermath can reduce daily cow costs by 50¢ or more.
  - Strip graze or rotate fields to improve grazing efficiency.
- Average body condition cows can be grazed at 1 to 2 acres/cow for 30 days assuming normal weather.
- Consider feeding cull cows to increase value, body weight and utilize cheap feedstuffs. Seasonal price trends have allowed producers to take advantage of maximum profit opportunities with cull cow feeding programs. Healthy cows can gain extremely well on well balanced diets.
- Check individual identification of cows. Replace lost tags or redo brands.
Program Schedule
8:30 a.m.  Registrations / Coffee & Donuts
9:00 a.m.  Welcome & Introductions
9:10 a.m.  Weather Summary and Outlook - Chip Rodmond, Kansas Mesonet
9:40 a.m.  Managing Pasture & Grasslands Through Drought - Doug Spencer, NRCS
10:30 a.m. Market Outlook & Update – Dr. Glynn Tonsor, KSU
11:00 a.m. Coffee Break
11:10 a.m. Breakout Sessions
  1. Introduction of the Office of Farm and Ranch Transition - Ashlee Westerhold, KSU
  2. Livestock Risk Protection (LRP) & Pasture, Rangeland, and Forage (PRF)
     - Dr. Jennifer Ifft, KSU
  3. Blue Green Algae – Dr. Joe Gerken, KSU
12:00 p.m. Lunch
1:00 p.m.  Break Out Sessions (Same as above)
2:10 p.m.  Crisis Management Panel
2:50 p.m.  Wrap Up

REGISTRATION
https://kstate.qualtrics.com/jfe/form/SV_b81p048Nb41OaZ8
OR
Contact any local extension agent listed below.

COST
Cost is $10 if you register by November 22nd.
Late registration at the door will be $15.

LOCATION
Saline County Livestock & Expo Center – 4H Building - 900 Greeley Ave, Salina, KS

Central Kansas: Justine Henderson (785) 392-2147
    Post Rock: Blaire Todd (785) 738-3597
    Phillips-Rocks: Rachael Brooke (785) 425-6851
    River Valley: Kaitlyn Hildebrand (785) 243-8185
    Cottonwood: Alicia Boor (620) 793-1910
    Midway: Clinton Laffin (785) 483-3157

Kansas State University is committed to making its services, activities and programs accessible to all participants. If you have special requirements due to a physical, vision, or hearing disability, contact Justine Henderson (785) 392-2147.

Kansas State University Agricultural Experiment Station and Cooperative Extension Service
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Department of Agricultural Economics
Kansas State University

Protecting Your Ag Legacy

Agricultural Transitions

Agricultural Transitions

December 15th: Erie, KS
December 14th: Salina, KS
December 13th: Colby, KS

Three Locations Offered

Conference
Transition
Farm and Ranch
Kansas State University

2022

3:00 - Adjourn
2:30 - Registration
8:30 - Registration
6:00 - “Coffee, Juice, Snacks"
9:00 - Keynote: Dr. Shannon Forrell
11:00 - Lawyers Role in Succession
1:30 - Peer Panel on Succession

Conference Schedule

Erie, KS - December 15th
S, Waizen Street
Neosha Valley Event Center

Salina, KS - December 14th
800 The Midway
Tony’s Pizza Event Center

Colby, KS - December 13th
227 S Range
City Limits Convention Center

If you are interested in being an exhibitor, please contact
Rhonda Lund
Rhonda.Lund@ksu.edu
Ashlee Weserstaff
Ashlee.Weserstaff@ksu.edu

Information:

Deadline: December 1, 2022

See reverse side for instructions

Mail: (660) 334-5900
Credit Card: (800) 397-4322

Registration

Register at
https://commerce.ksstate.edu

Research and Extension
K. State

AgTransitions@ksu.edu
Agtransitions

Protecting Your Ag Legacy

Financial and Business Skills

1. Develop an extensive training program for extension agents
2. Provide one-on-one technical services to transition team members
3. Develop an extensive training program for financial and business skills

Transition Planning Workshop

The office was three main objectives:

1. Development of a hand-held program to inform extension agents of transitioning processes
2. Encourage transition of extension agents in transition
3. Develop an extensive training program for financial and business skills

Deadline: Dec 1, 2022

Hungarian, K.S.

Send form below with check or $60 Credit Card: ($60)

Mail to:

K.S. Extension

Agtransitions@kansas.edu

www.Agtransitions.org

For more information call 316-266-4030

Kansas State University

KANSAS STATE UNIVERSITY

AGRICULTURAL ECONOMICS

KEYNOTE SPEAKER

Dr. Shannon Fussell

University of Oklahoma
The enclosed material is for your information. If we can be of further assistance, feel free to call or drop by the Extension Office.

Sincerely,

Jay Wisbey
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jwisbey@ksu.edu

Justine Henderson
District Extension Agent
Livestock Production
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