2015 Ag Year in Review

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Agriculture in 2015 has had many bumps and bruises. I have listed nine events that affected agriculture in our area last year.

*Grain Prices.* Grain prices continue to remain low for another year. It is been projected that US farm revenue may be at its lowest level since the early 2000’s. Input costs have started to drop but not at a level to match the loss of income. Farm land values have slowly begun to drop as a result of lower farm revenue.

*Weather and Crop Yields.* After a bumper corn and soybean yields in 2014, corn yields will be there lowest since the drought in 2012 because of excessive rainfall in June and July. Soybeans fared better than corn but yields will be lower than 2014.

Mid-summer rain also caused the development of disease, low test weight, and sprouted kernels in wheat creating grain quality concerns. As a result much of the local wheat will be used for livestock feed rather than the baking industry.

*Algae Blooms in Lake Erie.* The excessive rainfall during early summer caused excessive loads of nutrients from municipalities and crop land to move into Lake Erie. Fortunately, the winds and other weather conditions pushed the bloom toward the center of the lake and away from Toledo’s water intake.

*Senate Bill 1 Became Law.* Senate Bill 1, aka as the Agricultural Pollution Abatement Program, restricts when farmers may apply fertilizer and manure to fields and has established the potential of fines for violations.

*Agriculture Fertilizer Applicator Certification, aka Senate Bill 150.* This law requires farmers that apply fertilizer to more than 50 acres of production fields must obtain certification over the next three years and maintain fertilizer records.
The legislation became law the end of 2014 and training programs on nutrient management for certification were established by the Ohio State University Extension across the state in 2015 and will continue the next several years. Farmers will have to receive continuing education hours in the future to renew certification.

**CAUV (current agriculture use valuation).** Area land owners are in the second year of paying increased property taxes as a result of updated CAUV assessments. Rate adjustments from diminishing land values and lower crop revenue will eventually lower the valuation, but it will be several years before that will be seen in taxes.

Owners of farm land cannot just raise land rental rates since markets are resisting increases because of declining farm income. Several agricultural organizations are working with the legislature to change the formulation process especially for woodlot owners.

**Farm Bill.** Farmers had to select one of three options in the Farm Bill this past spring. The new Farm Bill is a change from past programs, based more on revenue loss for payments rather than crop yield loss.

Farmers had to wisely select their options since they will be locked into a selected program for the duration of the Farm Bill (five years).

**Avian Flu Hits Poultry Industry.** A virus killing chickens and turkeys moved into the Midwest this past spring reducing egg production and decreasing the number of turkeys for market. Ohio has been fortunate that the avian flu did not infect any of its flocks or barns.

However, the threat of the disease cause the Ohio Department of Agriculture to ban on poultry shows, which included the popular 4-H exhibits of chickens, ducks, geese, and turkeys at county fairs in 2015. The ban was recently lifted in December.

Ohio consumers felt its effect in increased prices for eggs and turkey meat at the grocery store. Prices have recently begun to slowly drop as flocks and barns have recovered and production has been restored to near normal levels.

**Flood Mitigation.** The Army Corps of Engineers is closer to giving its final recommendation for future flood control projects on the Blanchard River.

Farmers have concerns about the project because of the potential loss of crop land, direct loss of rural homes removed by the project, potential of flooding on new areas of crop land, and damage to rural transportation system (roads permanently blocked since crossings may not be built at all road intersections with the diversion channel).

Many of these events will continue to affect farmers in 2016. Farm prices have been projected to be low in 2016 unless some unexpected event affects world production. As a result, farmers will be making adjustments this year to stay profitable.