Know how. Know now.

AGRICULTURAL ECONOMICS 2012 IMPACT SUMMARY

Meeting the Challenge

- Significant increases in Nebraska land asset values require new and innovative practices to manage as both a crop production input for producer/growers and as an investment for owners
- The 2012 drought conditions impact crop and livestock producers, leading to increasing input costs, reduced yields, and added uncertainty in the 2013 production year
- Changes in market dynamics, commodity pricing, and crop/livestock insurance offerings require more advanced applied business management skills to improve efficiency, profitability, and sustainability
- Significant changes to federal estate tax legislation is likely to impact a vast number of asset owners across the nation to include a large number of Nebraska livestock and crop growers

Extension Impact

- Faculty answered more than 372 phone calls from clientele seeking advice and direction on topics ranging from drought economics to land and crop input management
- Faculty prepared over 74 media pieces to include newspaper, trade journal, NebGuides, Extension Circulars, radio, television, web submissions, and DVD/audio recording in support of drought education and agricultural asset management
- Faculty engaged in over 63 workshops attended by an estimated 1,864 participants from 36 NE counties, 8 U.S. states, and three foreign countries
- Land value and rent articles rank highest among those accessed through cropwatch.unl.edu

2012 Signature Programs

- Land Management and Flexible Cash Leasing
- Estate Planning and Business Transition
- Farmer's and Rancher's College
- Western Cattlemen Days
- Cornhusker Economic Management and outlook Conference
- Marketing in a New Era

Public Value

UNL Extension's Agricultural Economics educational programming is focused on improving farm and livestock profitability and sustainability through adoption and use of fundamental business management principles. This effort benefits all Nebraskan's through:

- Improved vitality of rural Nebraska communities
- Efficient use of production resources results in better yields, higher profit margins, and operation stability
- Sustainable crop production and livestock operations provide opportunity for local jobs, wage improvement, and rural economic growth
- Effective asset management, investment planning, and business transition results in future business opportunities for Nebraska's youth

Extension is a Division of the Institute of Agriculture and Natural Resources at the University of Nebraska–Lincoln cooperating with the Counties and the United States Department of Agriculture.

The 4-H Youth Development program abides with the nondiscrimination policies of the University of Nebraska–Lincoln and the United States Department of Agriculture.

LAND MANAGEMENT, RELATIONS, AND FLEXIBLE CASH LEASE ARRANGEMENTS

Land Management Comments:
"…with land prices rising so fast, I needed some way to be fair to my tenant and to myself when it comes to rent"

2012 Land Management Evaluation Results

- 143,379 Corn and 74,055 Soybean acres impacted
- Average economic value of the program reported to be $187 per production acre and $87 per livestock head
- 85.5% or respondents indicated improvement in their knowledge of flexible cash lease provisions
- 67% of respondents indicated they would use flexible cash lease arrangements in 2013
- 71% of respondents indicated that this program would significantly improve the income potential of farming/livestock operation or investment

FARMERS AND RANCHER'S COLLEGE

Farmer's and Rancher's College Comments:
"…this program will help us improve communications between our son and daughter-in-law"

Farmer's and Rancher's College Evaluation Results

- 284,000 total crop and pasture acres impacted
- Average economic value of the program reported to be $12.12 per production acre and $20 per livestock head
- 81% of participants indicated an increased understanding of how to make management and crop insurance decisions
- 100% of respondents indicated an increased knowledge of enterprise and whole farm financial analysis

ESTATE PLANNING AND BUSINESS TRANSITION

Estate Planning and Business Transition Comments:
"…it really impacted me when you said estate planning and business transfer begins the day you get your very first paycheck…"

Estate Planning and Business Transfer Evaluation Results

- 56,141 corn and 28,714 soybean acres impacted
- Average economic value of the program reported to be $53.33 per production acre and $47 per livestock head
- 100% or respondents indicated an improved understanding of estate planning and use of estate vehicles to transfer wealth
- 100% of respondents indicated the program would improve their ability to communicate with family members
- 83% of respondents indicated this program would improve their tax position relative to business transition

FOR MORE INFORMATION, CONTACT YOUR LOCAL UNL EXTENSION OFFICE, HTTP://WWW.EXTENSION.UNL.EDU/HOME
OR TIM LEMMONS, 402-370-4061, ACTION TEAM LEADER FOR THIS PROGRAM AREA