



..... STRAIGHT FROM THE HORSES MOUTH

Duane A. Lienemann, Nebraska Extension Educator, Webster County

July 9, 2016 Edition

Well, here we are... It is fair time in Webster County. We have basically moved our office from Red Cloud to Bladen and will be spending the next full week helping to pull off one of the biggest events in Webster County – our County Fair. I doubt that too many people really realize the hours of time, sweat and planning that goes into an effort like this. Of course our office sees to the 4-H and FFA events but there are many volunteers, including the backbone of the fair our Webster County Agriculture Association (Fair Board) who work their proverbial tails off getting everything done so people can come and enjoy arguably the biggest social and competitive event of the year.

You will find a lot of new improvements this year, many of which were taken on above and beyond the normal duties of the men and women who take on the mantle of providing for this fair. There is a new water system in town and that includes at the fairgrounds. There is more electricity available at the rodeo grounds which will help with concession vendors and the rodeo itself. And speaking of the rodeo, wait till you get to see the new “Terry’s Perch”, the new Rodeo announcers stand. It is an incredible improvement and will be used not only by the rodeo later this coming week, but by the 4-H horse show that will on Sunday, July 10. It is a vast improvement and pronounces the memory of long time Fair Board member, volunteer and rodeo aficionado – Terry Plambeck. It was the result of a fund drive that made it possible, and is now a reality.

Of course we want everyone to come take in the fair, but we also know that life and work goes on around us. I think there is some things that may be of interest to all of those that farm in the area. Let’s start with news of the new custom rates that that just came out. Many Nebraska agricultural producers hire custom operators to perform machinery services for their farms and ranches across the state. Many others use it for budget and cash-flow projections not only for themselves but for their bankers. The 2016 Nebraska Custom Rates Survey summarizes the current rates charged for specific machinery operations. Prices paid for these services become more critical as profit margins tighten because of lower commodity prices. These documents serve as a very useful tool to accomplish those challenges and gives a fair assessment of value.

This survey divides the custom operations performed in Nebraska into two sections. Part I includes spring and summer operations such as tillage, planting, and harvesting of small grains. Part II includes information about fall and miscellaneous operations. Custom rates reported include charges for the use of necessary equipment, fuel, labor, and supplies such as baling wire or twine provided by the custom operator. Seed, fertilizer, and chemical costs are not included. Full summaries from this survey, including district as well as state data, are published as University of Nebraska–Lincoln Extension Circular (EC) 823 for Part I and EC 826 for Part II. They can be found at our office or online at <http://farm.unl.edu/customrates>.

It may also interest you that the 2015-2016 Nebraska Farm Real Estate Market Highlights Report has recently been posted online at <http://agecon.unl.edu/realestate> and is also available at your local extension office. Of course the values of land is of great concern with our producers because of property tax and this can help show the actual property values and how they are ascertained. Additional information and resources on farm real estate markets and land management resources may also found at this link. You will also have a chance to let the authors know what you think. If the Nebraska Farm Real Estate Market Highlights Report or preliminary estimates has been useful to you, please consider taking a short survey at: <http://agecon.unl.edu/realestate/real-estate-survey> to provide the UNL authors with better insight on the value of the annual preliminary highlights and report to the agricultural industry in Nebraska.

It is no secret that the average for Nebraska agricultural land values has declined by about 4% in the last year across the state but 8% in Southern Nebraska. Most farmers and lenders are acutely aware of that and it has been verified with the preliminary findings from the University of Nebraska–Lincoln Farm Real Estate Market Survey. This decline marks the second consecutive year of lower weighted average farmland values in Nebraska. We sometimes see an adjustment about this time of year, so you may want to watch for that. For those of you that were not aware you can find the early report at <http://agecon.unl.edu/cornhuskereconomics>. Land values and rental rates presented in the report are averages of survey participants' responses by district. Actual land values and rental rates may vary depending upon the quality of the parcel and local market for an area. Many people use the “Land Value and Rental Rates” document to determine the value of their land and also for what rental rates to charge. It is a great starting point with a low range, high range and then the average.

Of course those ranges are dependent on where the land is located, what soil types are under it, lay of the land, fences, waste land etc. We must remember that not all land is created equal and we need to be cognizant of that as we determine those rental rates as we close out this crop year and get ready for the next. Most crop ground rental agreements need to be made before the first of September, so we will find that coming up quickly. Preliminary land values and rental rates are subject to change as additional surveys are returned. Final results from the survey were published in June and are available online at <http://agecon.unl.edu/realestate.html>. I would suggest comparing the updated sheets to the ones that were published in March. You will also find some very useful tools there as well. Please note: Land appraisers, farm managers, or agricultural finance professionals from Nebraska interested in participating in future Nebraska Farm Real Estate Market Surveys are invited to contact the UNL Department of Agricultural Economics at 402-472-3401 or email agecon@unl.edu.

The preceding information comes from the research and personal observations of the writer, which may or may not reflect the views of UNL or Nebraska Extension. For more further information on these or other topics contact D. A. Lienemann, Nebraska Extension Educator for Webster County in Red Cloud, (402) 746-3417 or email: dlienemann2@unl.edu or on the web at: <http://extension.unl.edu/statewide/webster>