



Forest City - Leland - Kiester - Buffalo Center - Winnebago

101 Years Saluting Agriculture Every Day!

► **DON'T LOOK NOW!!**

Recent drought monitors are showing large areas, especially west of the Mississippi River, in various stages of drought except for one certain area. That area is northern Iowa and southern Minnesota. Right now we are in the "sweet spot" going into spring. The six inches of rain in October and the inch of soaking rain last month is a plus for the spring start. Major droughts in past 60 years tend to start in the southwest and move to the northeast. The current maps might be suggesting that roadmap for future crops.

► **RemaiN Iowa**

No, that's not a typo with a capital "N" in RemaiN - it stands for nitrogen. This spring you as a farmer have the opportunity to find out - at no charge - the amount of nitrogen that could be leaving your farm into waterways through drainage tile. We have obtained kits from RemaiN Iowa that consist of a collection water bottle, an instruction booklet, and 25 tabs to test nitrates in your field tiles and drainage ditches. It's a chance for you to personally monitor at different times your nitrogen program. FCA wants to be proactive in this timely topic of awareness of our environment. We are excited to partner up with our customers to be efficient in use of our resources. Kits, in limited quantity, will be available after the first of March. Contact our agronomy reps to reserve your kit.



► **THREE AMIGOS**

Timing is everything in production agriculture especially when you talk about weeds like giant ragweed, water hemp, and lambsquarters. Recent studies out of Minnesota show planting beans in early May will reduce only 8 percent of the population with tillage where waiting until mid-May will eliminate over 50 percent. Water hemp and lambsquarters are like the Energizer Bunny. They keep sprouting all season. If a farmer uses layered (pre and post) application of herbicides, weed population is reduced by 95 percent. Using a one-time pre-emerge application reduces only 80 percent of the seed bank. One water hemp plant can produce 350,000 seeds. Research shows completely eliminating plants for four years will reduce the potential seed bank by more than 99 percent. In the case of ragweed, 97 percent seed bank can be eliminated in just two years.

► **JUST THE "N" FACTS**

1. Statewide 2017 samples averaged 12.8mg/L with a low of .8mg/L and a high of 41.5mg/L.
2. Statewide results showed nitrates 13.4 mg/L for corn fields and 10.9 mg/L for beans.
3. There was no strong correlation between applied nitrogen rates on fields to tile nitrates.
4. A test of 10mg/L or below is acceptable for tap drinking water.
5. Average nitrate test for Iowa lakes is .19 ppm.
6. Adding a 30 foot buffer strip along the edge of a field or drainage ditch can reduce surface runoff of phosphorus by 90 percent and nitrogen by 91 percent.
7. Moving from fall to spring nitrogen application reduces losses of 5 percent on average.
8. Using a nitrogen inhibitor reduces losses by 9 percent on average – side dressing by 7 percent.



► **INVENTORY MANAGEMENT**

Normally February is a pretty good time to purchase or lock in upcoming season fuel needs. With the economy on the rise, spring will find many new projects that could increase the price of diesel and gas. Some news reports are hinting of up to 20 cents a gallon increase. If your tanks have been empty since harvest, give Larry a call for the latest in pricing and booking. Don't forget, fall LP prices rose over 30 cents because of demand!

► **FEBRUARY 19**

Farmers Coop Association will be closed on President's Day, February 19, as all staff take part in mandatory annual safety training. Please be aware of this for your livestock feed and fuel needs. Thank you!

► **HELP WANTED**

Farmers Coop Association is seeking a part-time tender delivery driver employee. Please see Randy at the Forest City office to apply.

<p>FOREST CITY Address: 406 East K Street Phone: 641-585-2814 or 800-483-6832 Fax: 641-585-2052</p>	<p>LELAND FEED MILL Address: 609 B Street Phone: 641-567-3341 or 888-676-7439 Fax: 641-567-3380</p>	<p>LELAND GRAIN Address: 222 West Broadway Phone: 641-567-3010 Fax: 641-567-3012</p>	<p>KIESTER Address: 100 West Front Street Phone: 507-294-3697 or 877-294-3697 Fax: 507-294-3540 Agronomy: 507-294-3427</p>	<p>WINNEBAGO Address: 601 6th Avenue SE Phone: 507-893-4800 Fax: 507-893-4305</p>	<p>BUFFALO CENTER Address: 6401 Highway 9 Phone: 641-561-2800 Fax: 641-561-2216</p>
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▶DOWN AT THE CARDTROLS



We are happy to report sales of E-85 are on the rise as consumers see the price spread and buy. Remember your gas cap has to be yellow in order to use the fuel. Winners of \$10 free gas are **William Spencer, Merle and Sandra Clement, and Lynn Wooge** from Forest City, and **Louie Heitzeg** at Kiester.

▶DICAMBA

If you have any intentions of spraying dicamba, you need to be schooled to get the certification to apply it.

February 5

NIACC
10 am

February 22

Northwood Casino
2 pm

March 1, 5, or 16

Waldorf Salvesson Hall
10 am

▶DONE AND OVER

There's a collective sigh of relief now that farmers' US Ag Census is in the mail. Everything except how many dogs and cats are on your farm and the number of the bus your children ride has been revealed. They say it's confidential and for their use only. If you haven't sent yours in yet, be ready for letters and phone calls because it's going to happen according to previous farmers' experiences.

▶FREE PRICE LATER

Free price later is now available for all new bushels of your corn and soybeans brought in to Farmers Coop Association at our Forest City, Leland, and Kiester locations.

▶PROSPERITY TRAIN

Local tax preparers are verifying the long-term low crop prices are showing up in the farm tax returns, even with record yields. Many associated with agriculture feel watching the stock market, rising wages, and rising interest the "Good Time Train" has left the station without them. Farmers compete on a worldwide arena and hopefully they can board a second train coming this year.

▶PREPARING FOR SPRING

BY MITCH THORSON



Spring is right around the corner which means calving time will be soon if it's not already started. Coming into the third trimester is a great time to deworm cows before they calf. Controlling internal parasites in cows with Safeguard .05% is an easy, effective way, low cost way to deworm with many benefits.

Controlling parasites will help the cow be more efficient with the roughages fed stretching the feed supply further. It also will help the cow's immune system function more efficiently passing on higher antibodies to the newborn calf. These antibodies are essential to getting the calf off to a good start and last all the way through its lifecycle.

Sometimes when Mother Nature doesn't cooperate, whether it's weather conditions, calving problems or cows with poor mothering abilities, a supplemental colostrum replacer is needed. **Optiprime Colostrum Replacer and Supplement** is one of the leading products on the market and supplies 150 grams of bovine globulin protein. Both our Kiester and Leland locations have this product available for the cow/calf producer's emergency needs.

We would like to remind customers that on **Monday, February 19, we will be closed.** This is when our Coop has our annual safety meeting. Please keep this date in mind for feed ordering needs.

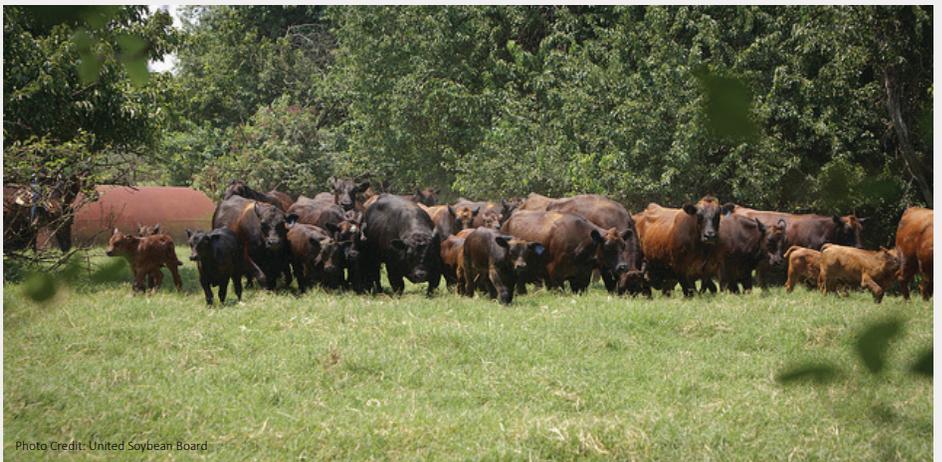


Photo Credit: United Soybean Board

▶TAX REFORM

BY KINGSLEY JOHNSON



The Tax Cuts and Jobs Act has been signed. With this new legislation we wonder what effects it will have on us. In this bill, the section 199 deduction was repealed on December 31, 2017, and replaced with Section 199A. The goal was to preserve benefits in Section 199A for cooperatives and their patrons.

As written, the bill allows some unique tax opportunities for farmers around what is included as a unit-retain. The IRS has issued letters allowing payments for grain and other commodities as unit-retains.

Farmers, who are members of the cooperative they are selling to, may be able to take the lesser of (taxable income minus net capital gains) or 20 percent of your (Qualified Cooperative Dividends) or member sales plus dividends. Value analysis studies for various taxable incomes show possible tax savings of \$0.05 to \$0.18 per bushel.

If you sell to a non-cooperative entity the deduction is 20 percent of net farm income.

Keep in mind self-employment tax and state taxes are not impacted by the 199A deduction nor is your adjusted gross income.

It appears that this was not the intent when the bill was written. Senators Thune and Hoeven, who sponsored the cooperative provision, have stated that the law, as written, has unintentional consequences. Their intent was not to tip the scales in favor of one type of business over another. As with any tax bill, legislators will work on a technical bill to address any faults of the bill already passed. Legislative correction or interpretation will center on if gross commodity sales qualify as unit-retains for Qualified Cooperative Dividends. Another factor is how the IRS will interpret the law. They have the authority to restrict allocations of items.



It will be interesting to see how the new law affects each and every one of us.