

# NORTHEAST OHIO AGRICULTURE NEWSLETTER

Your Weekly Agriculture Update for  
Ashtabula and Trumbull Counties

May 7, 2024



*Learning about land use issues in the Micheaux State Forest in Pennsylvania.*

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## ***Hello Northeast Ohio Counties!***

I've had the privilege to attend the 2024 Association of Natural Resources Extension Professionals conference in Hershey, PA this week. There are great sessions on reaching new audiences, and new programs that I hope to bring back to NE Ohio to address natural resources issues.

Planting progressed very quickly before the rain arrived. I estimate that approximately 45% of the crop land has been planted in Trumbull County. To be honest, with the pace of planting we may have exceeded that number.

Have a great week and be safe!

**Lee Beers**  
**Trumbull County**  
**Extension Educator**

# LEP MONITORING NETWORK – BLACK CUTWORM AND TRUE ARMYWORM UPDATE # 3

By Amy Raudenbush

Source: <https://agcrops.osu.edu/newsletter/corn-newsletter/2024-13/lep-monitoring-network—black-cutworm-and-true-armyworm-update-3>

Week 3 of monitoring for black cutworm (BCW) and true armyworm (AMW) resulted in the highest statewide average for both pests so far this year. To monitor for BCW and AMW, wing traps are placed at the edge of corn fields and checked weekly through the end of May.

## Black cutworm

Many counties in Ohio saw an increase in BCW adults from April 29 – May 5. The statewide average increased from 2.6 moths from April 22 – 28 to 5.2 moths this past week. Counties with the highest averages included Hardin (12.0) and Van Wert (10.8) (Figure 3). Keep in mind, BCW adults are attracted to fields with broadleaf weeds, such as chickweed (Figure 1) and purple dead nettle (Figure 2), where they will lay eggs. Eggs hatch in 5 – 10 days, and larvae go through 6 instar stages over the next 28 – 35 days. Counties with high trap numbers should plan to scout for BCW larvae after corn is planted until V6 stage, especially in fields with a lot of broadleaf weeds. For more information on how to scout BCW please

visit: [https://aginsects.osu.edu/sites/aginsects/files/imce/ENT\\_35\\_14\\_BCW.pdf](https://aginsects.osu.edu/sites/aginsects/files/imce/ENT_35_14_BCW.pdf)



*true armyworm*



*Figure 1. Common chickweed.  
Photo credit: Curtis Young.*

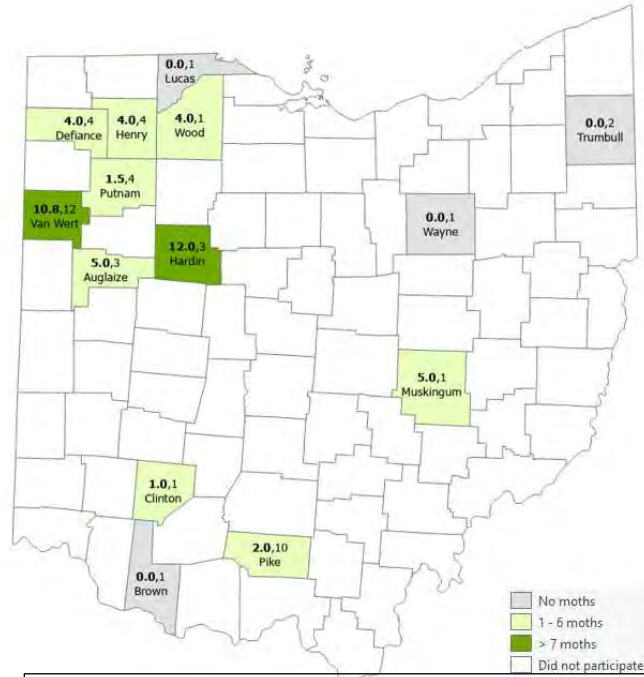
**Black cutworm moth map  
Week 3 - April 29<sup>th</sup> to May 5<sup>th</sup>, 2024**



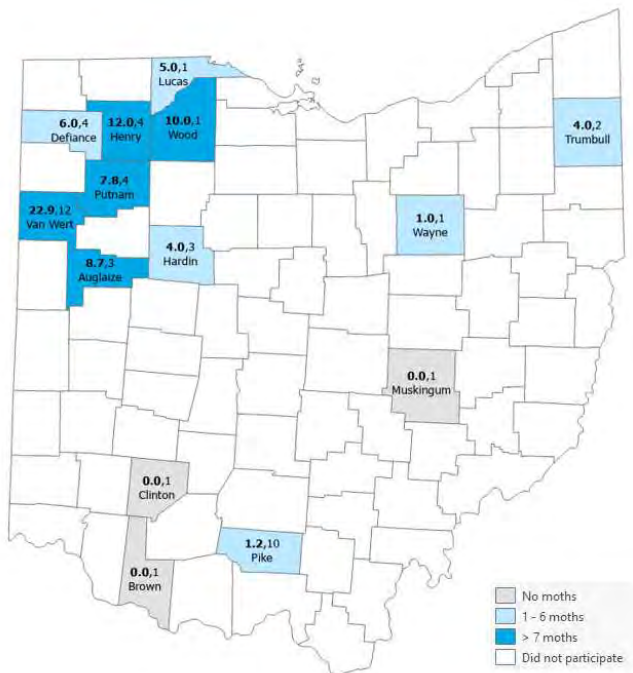
**True Armyworm**

Similar to BCW, the statewide average also increased over the past week for AMW from 7.3 moths to 9.4 moths, indicating moths remain active in Ohio. Counties with an average that increased over the past week include: Auglaize, Defiance, Henry, Lucas, Pike, Van Wert, and Wood counties. The counties with averages of 7 or more moths include: Van Wert (22.9), Henry (12.0), Wood (10.0), Auglaize (8.7) and Putnam (7.8) (Figure 4).

**True Armyworm moth map  
Week 3 - April 29<sup>th</sup> to May 5<sup>th</sup>, 2024**



*Figure 3. Average black cutworm (BCW) moths captured from April 29<sup>th</sup> to May 5<sup>th</sup>. The bold number on the left indicates the average moth count for the week, followed by the standard number on the right which indicates the total traps set up in that county.*



*Figure 4. Average true armyworm (AMW) moths captured from April 29<sup>th</sup> to May 5<sup>th</sup>. The bold number indicates the average moth count for the week, and the standard number in parentheses is the total number of traps set in that county.*

## ***Déjà vu All Over Again?***

Garth Ruff, Beef Cattle Field Specialist

Source: <https://u.osu.edu/beef/2024/05/01/deja-vu-all-over-again/>

While looking to the future keep the 'long game' in mind!

Opening Day for Major League Baseball was a month ago, and while watching the Cincinnati Reds, I had time to reflect on the winter Extension meeting season. In the last 60 days I have had the opportunity to visit with a number of cattle producers across Ohio and the number one topic of conversation has unsurprisingly been the cattle markets and how to navigate current economics.



As I had one such conversation at the Beef Expo the statement was made that, “2014 was good, I never thought we’d ever see those kinds of prices again.” This got me to thinking about some of the major difference between 2014 and 2024.

For reference, in 2014 I was a third year undergraduate Animal Sciences student and was on the meat judging team at Ohio State. The “good ol’ days,” I reckon. That said, I remember some of the lectures from our beef production course with Drs. Mike Day and Francis Fluharty, a guest lecture or two from John Grimes and hearing some of the same we are hearing today regarding cattle prices then.

At that time the discussion was about drought and the smallest cow herd since 1962. Sound somewhat familiar? Here recently, out of curiosity, I have taken a deeper dive into the similarities and differences between 2014 and where we are in 2024. ‘

Going back to as early as 2022, I have found articles of analysts making the comparisons between the two cattle cycles, and even though drought and low cow numbers are consistent themes, I am not sure we are looking at déjà vu as some have previously suggested.

We know that cause for herd reduction coming out of 2011-2012 was drought, however that drought was much more regional than the one experienced in 2021-2023. Being more regional to Texas, Oklahoma, and pockets of the central plains, the earlier drought was severe, but short lived relative to the more recent drought that gripped the western half of the country for the better part of three years. Therefore, soil moisture and the drought monitor were able to rebound quicker a decade ago. As soil moisture rebounded so did the cow herd up until 2019.

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The differences between the 2014 cattle market and today are perhaps easy to overlook with considering changes in the beef industry over the last decade. Fed cattle are significantly heavier in the first half of 2014 carcass weights averaged 822 pounds compared to the 908-pound average for all of 2023. We have significantly more beef available in the system today than we did a decade ago, to the tune of an estimated 26.19 billion pounds for 2024 compared to 24.25 billion pounds in 2014 according to USDA.

If we remember that 2014 was a high point in the beef industry, 2015 began an increase in the cow herd in those drought affected regions and cattle prices fell off in the fall of '15 and by the fall of '16 the historic high in the cattle cycle was over. This peak appears to be longer lived than the one seen a decade ago.

Not only was the more recent drought wider spread, but current economics do not favor herd expansion. Feeder cattle, and cull cow prices are at record highs. Couple those factors with interest rates that significantly higher than the 3.33% in 2015 (US Treasury), and keeping heifers becomes a significant, long-term investment.

Look to 2025, at the earliest before we see cow herd numbers begin to increase. As a cow-calf operator consider developing a plan for the coming years. Expansion maybe part of the plan but there are other ways to consider improving an operation. Now is a great time to invest in handling facilities, genetics, and improved grazing systems to improve efficiency or reduce costs.

With additional revenue, a cow-calf operation should keep the long game in mind. Hitting a few base hits in the next year or two can be just as effective (and often less risky) than swinging for the fences and potentially striking out

## ***TRANSFERRING FARM OPERATING ASSETS AT RETIREMENT***

By Robert Moore

Source: <https://farmoffice.osu.edu/blog/thu-05022024-821pm/transferring-farm-operating-assets-retirement>

Retirement means different things to different farmers. For some, retirement is the slow, gradual process of turning over the farming operation to the next generation. For others, retirement may be the immediate sale of operating assets when there is not an heir to take over the farming



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operation. Regardless of the type of retirement, operating assets will often be transferred. This article will discuss the different strategies to transfer operating assets and the implications of each strategy.

### **Strategy #1. Gifting**

The gifting of assets is the simplest transfer strategy. Gifting works best when the assets are being transferred to a family member and no income is needed from the assets. While gifting may seem like the obvious best solution if transferring to a family member, there are significant negative tax implications to gifting that should be considered.

#### Advantages

- Simple
- Ownership is transferred relieving owner of liability and responsibility for repairs and maintenance
- Helps next generation

#### Disadvantages

- No income to owner
- Loss of stepped-up tax basis

### **Strategy #2. Outright Sale**

When income is needed from operating assets, a sale may be the best transfer strategy. Because many operating assets are untitled, a sale can be completed rather easily. The buyer provides the funds and the sale is completed. An outright sale is considered to be a sale that involves all assets being transferred simultaneously with a payment for the entire sale.

#### Advantages

- Creates income
- Relieves owner of liability and maintenance responsibilities

#### Disadvantages

- Tax liability is usually significant due to little or no tax basis and depreciation recapture
- Will use resources of next generation of farmer

### **Strategy #3. Gradual Sale**

Instead of an outright sale, assets can be sold gradually, over time. Usually in this strategy, a few items are sold each year until transfer is complete. The sales can happen somewhat uniformly each year or be adjusted as the seller needs income and/or the buyer has available resources to purchase.

#### Advantages

- May help keep seller in lower income tax brackets by spreading out income

- Relatively simple

#### Disadvantages

- Owner must wait to receive income for all assets
- Owner retains some ownership and thus retains some liability and responsibility for maintenance

#### **Strategy #4. Installment Sale**

An installment sale involves the sale of the assets with payment being made over a number of years. This strategy may seem attractive as a way to sell assets and spread income over time. However, an installment sale is often the worst strategy when selling operating assets because the IRS requires all depreciation recapture taxes to be paid in the first year of the installment sale. Be sure to discuss an installment sale with your tax advisor before implementing this strategy.

#### Advantages

- Transfers ownership immediately to eliminate liability and maintenance
- After the taxes are paid in year 1, little or no taxes may be owed on the remaining payments

#### Disadvantages

- All depreciation recapture tax is due in the first year of the installment sale
- Risk of buyer not making payments

#### **Strategy #5. Lease with Purchase Option**

A lease allows payments to be spread over the term of the lease with taxes due upon receipt of each payment, rather than all due up front. The person leasing the machinery can then be given the option to purchase the machinery upon the expiration of the lease. For the retiring farmer who needs income from their machinery, this is a strategy worth exploring.

#### Advantages

- Spreads income and tax liability over the term of the lease
- May help cash flow for buyer and lease payments are a deductible expense

#### Disadvantages

- Ownership is retained so remain liable for the asset
- The “Buyer” does not own the asset so cannot use as collateral
- It can be complicated to determine lease rates when machinery is traded, replaced or sold

#### **Strategy #6. Integrating a Business Entity into the Transfer Plan**

Using a business entity, such as a limited liability company (LLC) , for the transfer of operating assets can have multiple benefits. An LLC can reduce liability exposure, simplify the transfer process, and reduce tax liability. Anyone

transferring operating assets should consider incorporating an LLC into the process.

#### Advantages

- Will provide liability protection for the owner of the assets
- Sale of entity ownership is usually considered a capital gain which is taxed at lower rates

#### Disadvantages

- Can cost up to several thousand dollars to set up
- Business entity requires management such as accounting, bank accounts and tax returns

### **Strategy #7. Charitable Remainder Trust**

A Charitable Remainder Trust (CRT) can be an excellent strategy for the retiring farmer to sell operating assets without immediate tax liability, receive a long-term flow of income and make a charitable contribution. The strategy involves establishing a charitable trust, transferring operating assets to the trust, then selling the assets through the trust. Due to the charitable nature of the CRT, no tax is due upon the sale of the assets. The CRT then establishes an annuity for the retiring farmer which generates annual income. At the termination of the CRT, the remaining principal in the CRT is donated to the charitable beneficiary. The CRT strategy is the most complicated strategy and will require the most legal and accounting fees.

For a detailed discussion of the CRT strategy, see the **Charitable Remainder Trusts as a Retirement Strategy for Farmers** bulletin available at [farmoffice.osu.edu](http://farmoffice.osu.edu).

### **Conclusion**

There are several strategies that can be implemented to transfer operating assets at retirement. There is no perfect strategy, each one has advantages and disadvantages. A thorough analysis of the implications to income, taxes, liability and cash flow of each strategy should be performed before deciding on the preferred strategy. Working with knowledgeable tax and legal counsel can help with the decision-making process and reduce the chances of unwanted or unexpected outcomes.

For more information on these strategies, see the **Strategies for Transferring Farm Operating Assets** bulletin available at [farmoffice.osu.edu](http://farmoffice.osu.edu).



# Fungicides Use in a Lower Price Environment

By Carl Zulauf, Gary Schnitkey, Nick Paulson, Eric Richer

Source: <https://u.osu.edu/ohioagmanager/2024/05/03/fungicides-use-in-a-lower-price-environment/>

The advisability of applying fungicides may change this year with lower corn and soybean prices and given recent increases in spending on pesticides (*farmdoc daily*, April 30, 2024). While the cost of applying fungicides is known, their application introduces two uncertainties: 1) the yield response from using fungicides, and 2) the additional drying cost associated with higher moisture due to fungicide use. These issues are explored in this paper. Overall, average yield responses from fungicide yield trials do not suggest that fungicide use is economical at likely commodity price levels for this year.

## Yield Response to Cover Application

**Costs:** Fungicides need to increase yield enough to at least cover material and application costs. This increase also depends on the price of the crop. Using a \$40/acre material and application cost based on

likely 2024 prices, corn yield needs to increase by 5.8 bushels when corn price is \$6.95, close to the 2021 harvest price. At a \$4.25 price, near current cash forward bids for 2024 harvest; yield needs to increase 9.4 bushels (see Figure 1). For soybeans, an increase of 3.6 bushels per acre is needed at today's cash forward bid of \$11.00. The yield increase needed to cover only the material cost (\$25) is also presented in Figure 1.



**Uncertain Yield Response:** Studies find a positive but highly variable corn and soybean yield response to the use of fungicides. Paul, et al. reported an overall average corn yield response of +3.7 to +6.2 bushels per acre that varied across four fungicide products. Kandel, et al. reported an overall average soybean yield response of +1.6 bushels per acre. These average yield responses are below break-even yield responses at current crop prices.

Both of these studies are meta (i.e. summary) analyses of a large number of individual studies: 212 corn studies and 240 soybean studies. Individual studies found yield responses that ranged from negative to large positive.

Other consistent findings from field trials include a higher yield response

- the more severe the fungal infection (if infection is low, average response is smaller but still positive),
- the less resistant the seed variety, and
- the higher is precipitation.

While statistically important, fungal infection, variety resistance, and precipitation explain only a small share of the variation in yield response, implying much more is unknown than known.

### Uncertain Cost –

**Drying:** An unknown cost when applying fungicides is drying cost. This potential cost arises because fungicides keep the crop greener longer, thus extending its reproductive fill period. The importance of

drying cost is magnified because the entire crop is impacted and because drying costs are not trivial. Each one percentage point increase in moisture above the no-drying maximum increases corn and soybean drying cost by \$20 to \$25 per acre (see Figure 2). Figure 2 is derived using commercial drying charges during the 2023 harvest in North Central, Ohio, but with the percent shrink (i.e. reduction) applied to a crop's bushels for excess moisture valued at \$4.25 for corn and \$11.00 for soybeans. To summarize, the bushels needed to cover the total cost from using fungicides can increase notably if fungicides increase moisture at harvest above the no-drying maximum.



**Other Costs:** Each added bushel needs to be harvested and transported. Using the Ohio State University custom rates for 2022 (Ward, Barker, and Richer), harvest cost is \$38.60 per acre for corn, or \$0.19 per bushel at a 200 bushel yield, and \$37.10 per acre for soybeans, or \$0.62 per bushel at a 60 bushel yield. Harvest costs include charges for the combine, grain cart, and on-farm transport. Transport cost from the farm to market is \$0.18 per bushel based on hauling 27 miles one way. While small, these two costs add up and should not be ignored. For example, if fungicides increase yield 10 bushels, added corn harvest and transport cost total \$3.74 per acre, not far from the value of one bushel at current 2024 cash forward bids.

### Discussion

Current cash forward bids of \$4.25 for corn and \$11.00 for soybeans require yield responses of 9.6 bushels for corn and 3.6 bushels for soybeans to cover a \$40 per acre

cost of commercial fungicide application plus the cost of harvesting and transporting the increased bushels.

Average yield response from agronomic small plot trials are generally less than these yield increases.

Yield response is generally larger when fungal infection is high and seed is more susceptible. These findings underpin the common recommendation to practice integrated disease management including crop scouting and cultivar selection.

Yield response to using fungicides is highly variable. Individual field trials find negative, zero, and very large yield responses. This variability favors larger farms. Larger farms have more fields to capture the highly variable but on average positive fungicide yield response.

A major unknown when using fungicides is its impact on moisture at harvest. Drying costs are expensive. It takes only a few years of higher moisture due to fungicides to materially raise the bushels needed to cover the total cost incurred by applying fungicides. On the other hand, Tenuta and Hooker (2009) and Mahoney et al. (2015) found that using fungicides improved corn stalk quality and reduced lodging, which can produce savings by reducing harvest yield loss or allowing later harvest at lower moisture. The farm management implication is that harvest conditions can materially impact returns to using fungicides.

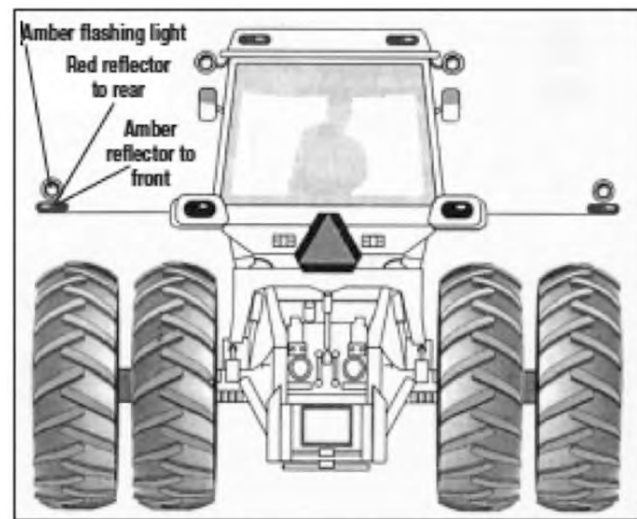
## ***Spring is the time for tractor safety***

By Lee Beers

Source: <https://www.farmanddairy.com/columns/spring-is-the-time-for-tractor-safety/823672.html>

With the amount of April showers we've had this year, we should be knee deep in May flowers. Normal precipitation amounts for the month of April in northeast Ohio are around 3.75 inches. As I'm writing this article, with seven days remaining in April, we have exceeded that amount by about 2 inches.

All of the rain has delayed some of our normal field work activities. I know many are anxious to get started once



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soil conditions are favorable with many long days and nights ahead.

Farm equipment will be a frequent sight on our roads in the coming weeks, and taking a few minutes for safety could prevent an accident. Many highway accidents involving farm equipment result from drivers hitting farm equipment from the rear.

#### SMV signs

The bright triangle slow moving vehicle sign is not only a good way to signal your slow speed to motorists on the road, but it is also required by Ohio law for all farm equipment that travels at 25 miles per hour or slower. They should be visible at least 500 feet away, but as the signs age they lose some of their visibility, especially, at night. If you have an old SMV sign on your equipment, consider replacing it with a new one.

Signs should be 2 to 10 feet from the ground and placed in the center or left of center on the equipment. Towed implements should have a SMV sign if they obscure the SMV sign on the tractor. It's a good idea to have an extra sign on hand in case you need one especially for those well-used fertilizer spreaders or anhydrous tanks may have less than great signs.

SMV signs are excellent reflectors and can be visible for quite a distance. This makes them attractive options to mark driveways, mailboxes or other stationary objects, but it is against Ohio law to use stationary SMV signs on the highway.

#### Tractor lighting

Many new tractors have the ability to light up a baseball stadium while working in the field at night. Brighter, lower wattage LED lights have made it possible to increase the number of lights without drawing more power from the electrical system. New tractors also are equipped with flashing amber lights and rear red lights that make some airports jealous.

Older tractors likely have fewer lights and may not be as visible to motorists. Fortunately, adding LEDs to older equipment can be done relatively easily to increase visibility.

Tractors without dual wheels should have a minimum of one forward facing headlight and two rear facing red lights (or one red light and two red reflectors). The addition of flashing amber lights will further increase visibility to motorists.

If your tractor has duals, additional requirements are needed to warn motorists of the wider tires. Flashing amber lights must mark the edges of the equipment with amber reflectors to the front and red reflectors to the rear. Just like the SMV sign on towed implements, if the rear red lights are not visible, a red light should be placed on the implement.

## Driving on the road

We can cover every square inch of our equipment with lights and SMV signs, but we all know that it only takes one person not paying attention to cause an accident.

Be vigilant on the road, wear your seatbelt (yes in the tractor!), and travel at speeds safe for your equipment and the road conditions.

Watch for roadside objects that oversized equipment may hit like mailboxes or guardrails, but also watch for overhead obstructions. We get in a hurry and sometimes we forget to lockout hydraulics or place safety blocks on equipment before getting on the road.

I'll never forget when my boss did that with a mower conditioner when I was in high school and it drifted into the ditch bending the center pivot tube. Fortunately, I was able to learn from his expensive mistake so I didn't repeat it.

If you want to know more about how to travel safe this season on the roadways, visit [agsafety.osu.edu](https://agsafety.osu.edu) for more information.

## **OHIO 4-H LAUNCHES CAREERNEXT TO EMPOWER YOUTH FOR TOMORROW'S WORKFORCE**

By Margo Overholt-Seckel

SOURCE: [HTTPS://CFAES.OSU.EDU/NEWS/ARTICLES/OHIO-4-H-LAUNCHES-CAREERNEXT-EMPOWER-YOUTH-FOR-TOMORROW'S-WORKFORCE](https://cfaes.osu.edu/news/articles/ohio-4-h-launches-careernext-empower-youth-for-tomorrow-s-workforce)

Ohio 4-H announces the debut of CareerNext: Are You Ready?, an innovative online course designed to equip young individuals with the skills and confidence needed to excel in tomorrow's workforce. As the career landscape rapidly evolves, Ohio 4-H recognizes the need to prepare youth for forthcoming challenges and opportunities. CareerNext stands as a comprehensive program integrating practical knowledge, interactive modules, and real-world scenarios to empower participants to explore various career paths, hone critical skills, and make informed decisions about their future.



*CareerNext underscores 4-H's commitment to nurturing the personal and professional growth of Ohio youth.*

“CareerNext marks a significant milestone in our commitment to nurturing the personal and professional growth of Ohio’s youth,” stated Kirk Bloir, state 4-H leader. “By

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furnishing participants with essential skills and knowledge, we empower them to carve their own paths and thrive in the swiftly evolving job market.”

Ohio 4-H is the youth development program of OSU Extension, the outreach program of The Ohio State University College of Food, Agricultural, and Environmental Sciences.

Key features of the online course include interactive learning modules covering resume building, interview techniques, post-secondary education, and financial literacy. Participants also gain from expert guidance, flexible learning options, hands-on activities, and resources for career exploration.

“In today’s fast-paced world, adaptability and resilience are paramount for success,” said Margo Overholt-Seckel, program manager, Ohio 4-H Pathways to the Future. “CareerNext not only equips participants with practical skills, but also fosters critical thinking, creativity, and a growth mindset, all essential qualities for navigating the complexities of the modern workplace.”

Ohio 4-H remains dedicated to empowering youth to become confident, capable, and compassionate leaders. With CareerNext, Ohio 4-H reaffirms its commitment to providing transformative learning experiences that prepare youth for success in an ever-changing world.

For more information about CareerNext: Are You Ready?, visit [go.osu.edu/careernext](https://go.osu.edu/careernext).

# POND SCHOOL 2024

**May 21, 2024**

**6:00 PM – 8:30 PM**

**Oenslager Nature Center  
6100 Ridge Rd., Medina**

**Cost: \$15.00 per person**



**THE OHIO STATE UNIVERSITY**  
EXTENSION

## SCHEDULE

**6:00 PM:** Outside! Plants for Pond Banks to Absorb Runoff and Stabilize Banks

**6:45 PM:** Managing Wildlife Around Ponds

**7:30 PM:** Pond Algae and Weeds: Managing Healthy Ponds

## SPEAKERS

- Medina Soil and Water Conservation District
- Marne Titchenell, OSU Wildlife Specialist
- Eugene Braig, OSU Aquatics Specialist

**Pre-Registration Required: \$15.00 per person**

*Return the below slip and cash or check payable to OSU EXTENSION, 4046 Medina Rd, Medina OH 44256. Cost is \$15.00 per person includes handouts and light refreshments.*

Name(s): \_\_\_\_\_

Address: \_\_\_\_\_

Phone: \_\_\_\_\_ Email: \_\_\_\_\_

Number of People Attending: \_\_\_\_\_

**Alternative Registration Option:** Call to register by phone at 330-725-4911 and receive an emailed link to pay by credit card online.