

Weekly Article

1-31-2022

ARC or PLC

Hello, my Name is Richard Purdin with OSU Extension, Ag and Natural Resource Educator and Community Development Educator for Adams County. I hope to better inform local producers and the public of the latest news in the world of agriculture. January is in the books and thank goodness for that! According to Arron Wilson Climatologist with OSU Extension January 2022 was on aver 5°F below average but much of the state was below average on precipitation except for us lucky southerners. January was quite the month, beginning with very warm temperatures, heavy rain, and ending with bitter cold and plentiful on snow fall and even ice. Two thoughts come to mind when we begin the month of February, first winter is halfway over, and two that crazy groundhog better not see his shadow. As humans we are always looking for signs to predict the weather, from wildlife movement, plant growth, body aches, groundhogs and for me growing up on a hog farm watching to see how hogs' nest was a good indicator of potential bad weather. At the end of the day, I have come to realize that weather can't be predicted very accurately, even with the most advanced technology. Another thing that is always giving us humans a challenge to predict is crop prices and yields. To compensate for the craziness called farming we have developed Agriculture Risk Management Programs such as crop insurance, Agriculture risk coverage and Price loss Coverage programs to compensate for the loss of farm revenue due to poor yields or low prices. March 15 is the deadline to sign up for the coverages and today I just want to give the basics of what I have learned this year from a presentation given by Ben Brown with the College of Agriculture, Food & Natural Resources of University of Missouri. Here are the key takeaways from his presentation earlier this month.

- Your choices include ARC County, ARC Individual, or PLC and PLC with supplemental coverage. ARC County is paid on 85% of base acres, ARC Individual is paid on 65% of base acres and PLC is paid on 85% of base acres. Producers with supplemental coverage options through crop insurance must be enrolled in the PLC program.
- PLC stands for Price Loss Coverage and makes a payment when the average marketing year price falls below the reference price. Their reference price for Corn is \$3.70/bu, Soybeans = \$8.40/bu, Wheat = \$5.50/bu.
- ARC County makes a payment when the national price x the county yield falls below a 5-year olympic average of prices and yields x86%. ARC IC

takes in account individual farm yields. Key point to remember is ARC county accounts for county yield not your farm yields.

- Corn and soybean stocks are tight, this usually equals higher prices. Marketing year average price for corn is expected to be 4.76/bu and 11.46/bu for soybeans.
- The likelihood of corn soybeans or wheat falling below the reference prices is very slim. With that said there are factors that can change the game very quick for example drought in South America, Russian Troops encroaching on the Ukraine border, and supply chain stains on fertilizer and chemical prices.
- ARC Co will trigger a payment on more variable yielding counties, but PLC with SCO will offer the greatest amount of protection. Remember the SCO will be an added cost to your crop insurance coverage.
- Even if you want to keep your decision from last year the same you still need to sign up to make an appointment with your Local Farm Service agency.

Some other details to go over.

- February 24, Ohio Beef Cow/Calf School Located at Scott Farm 9681, US 68 Georgetown, Ohio 45121. Cost is \$10 per person, RSVP with OSU Extension Brown County by February 17th by calling (937) 378-6716. Herd Nutrition will be the main topics discussed at the school.
- February 15th private pesticide/fertilizer applicator recertification, location of this event will be at the West Union Frisch's (back meeting room) 11157 St Rt41, West Union, Ohio 45693. Register by calling (937) 544-2339 and mailing payments of \$35 for both Pesticide and fertilizer or \$15 dollars for fertilizer only to the office 215 North Cross St RM104 West Union, OH 45693.
- March 15, 2022, Crop Insurance sign up and Agriculture risk coverage ARC, price loss coverage, election enrollment with the USDA FSA office. Contact me for assistance at (937) 544-2339.
- 2022 Tobacco GAP recertification course will be March 31,2022 at Raines Farm and Greenhouse, 10:00am-12:00pm. This event will be open to both Adams and Brown County producers. Call the Adams County OSU Extension office to RSVP at (937) 544-2339.