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# DROUGHT MANAGEMENT STRATEGIES







Grass = Money 



## RANGE MANAGEMENT STRATEGIES

- Visually evaluation of the available forage
- Pasture Utilization
- Rotation of Pastures
- Feed Banking - Swales
- Nitrogen Fertilization
- Poisonous Plants /Weeds
- Use water to move animals



**Feed Costs are the Highest Expense** 



## SUPPLEMENTAL FEEDING

- High-Energy Feeds
- Liquid Supplements
- By Products



**Healthy Animals = Money**



## LIVESTOCK MANAGEMENT STRATEGIES

- Grouping of Grazing Strategies
- Saving best pastures for highest maintenance animals
- Early weaning of calves & lambs
- Culling strategies
- Selling/Destocking livestock





All 3 parts = a sustainable system





**You can't feed out of Drought**

# **Short and Long Term Strategies**

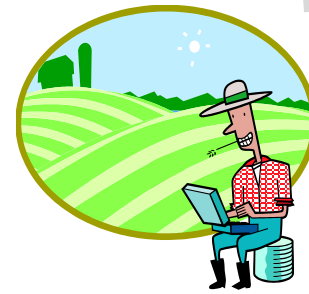
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# Collaboration

With multiple individuals, agencies, business, government, NGOs, etc.

It's about building partnerships for today and beyond

UCCE, AG Commissioner    NRCS, RCDs, FSA



Government, Nutritionists,  
NGOs



# Short Term Strategies

Review Resource Objectives  
New Grazing Opportunities  
Water Shortage / Hauling Programs  
Explore local By products  
Establish Monitoring Sites

Plan for the next month, next year and future

# Long Term Strategies

Options if it **NEVER** Rains Again

Start Planning Now!

# FARM BILL 2014



FARM BILL 2014

PROGRAMS:

## Livestock Forage Program – Drought

- Reauthorized under the 2014 Farm Bill
- Retroactive back to 2012
- Requires NAP coverage to be eligible
- Gross Income (averaged over three preceding years) cannot exceed \$900,000.
- All payments (LFP, LIP, ELAP, etc.) cannot exceed \$125,000 per entity per crop year
- Payments made in accordance with U.S. Drought Monitor (severe, extreme, exceptional)
- Monthly payment equals 60 percent of the lesser of monthly feed costs calculated using a FSA formula or monthly feed costs calculated in comparison to normal carrying capacities for a grazing season
- Record keeping requirement will apply (more specific information to come)
- Other eligibility requirements may apply

## Livestock Indemnity Program – Death

- Reauthorized under the 2014 Farm Bill
- Retroactive back to 2012
- Requires NAP coverage to be eligible
- Gross Income (averaged over three preceding years) cannot exceed \$900,000.
- All payments (LFP, LIP, ELAP, etc.) cannot exceed \$125,000 per entity per crop year
- Payments made at 75% of the market value of the animal calculated the day before it died
- Covers adverse weather (drought, fire, blizzards, etc.)
- Record keeping requirement will apply (more specific information to come)
- Other eligibility requirements may apply



## Capital Gains Tax Deferment

- Authorized under IRS Code §451(e) & §1033(e)
- Applies to sales in excess of normal business practices
- Principle business must be agriculture
- Postpone capital gains to be used to restock cattle within two years of the last concurring tax year declared a drought §1033(e)
- Defer income – must be under cash accounting - to the next tax year (disaster area declaration required) §451(e)
- IRS provides annual list of what areas are eligible for deferment



# Get the word out

[Dan Macon posted in Farmer-Rancher Drought Forum](#)



Dan  
Macon

1:13pm Feb 2

I'm going to be interviewed by a public radio station from New York tomorrow morning at 4:45 (apparently, the show is on KQED in SF, too). What would you tell someone in NYC about the impact of the drought on CA farmers and ranchers?

## Measuring Drought

- **(1) Impact of the current drought on ranch operations**
- **2) Comparison of this drought to past droughts**
- **3) Collect photos and short video clips showing evidence of the drought at each ranch (bare ground, empty water troughs, livestock, hay barns, etc.)**

# Create / Document your Story



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[Art of Regional Change](#)

[UC Passion for the Land](#)

## Personal Stories Are Powerful



# More Information

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[cesonoma.ucanr.edu/Livestock\\_and\\_Range\\_Management/Drought\\_Management/](http://cesonoma.ucanr.edu/Livestock_and_Range_Management/Drought_Management/)

The screenshot shows a Mozilla Firefox browser window displaying the UCCE Sonoma County website. The browser's address bar shows the URL [cesonoma.ucanr.edu/Livestock\\_and\\_Range\\_Management/Drought\\_Management/](http://cesonoma.ucanr.edu/Livestock_and_Range_Management/Drought_Management/). The website header includes the UCCE logo and the text "University of California Cooperative Extension Sonoma County". A navigation menu contains links for "About Us", "Blog", "Newsletters", "Links", and "Calendars". The main content area features a banner image of a herd of black cows in a green field, with a yellow graphic overlay on the right side that says "100 UC Cooperative Extension". Below the banner, there is a section titled "Drought Strategies 2014" with a yellow box containing the text "ALERT! EQIP Funds for Water Conservation" and "Applications due by March 3, 2014!!". To the right of this section is a blue box with contact information for Stephanie Larson, PhD, Livestock & Range Management Advisor, including her phone number (707-565-2621) and email address ([slarson@ucdavis.edu](mailto:slarson@ucdavis.edu)). A "National Resource Conservation" logo is also visible at the bottom right.