

Approved Feb. 7, 1989  
Date

MINUTES OF THE HOUSE COMMITTEE ON AGRICULTURE AND SMALL BUSINESS

The meeting was called to order by Representative Susan Roenbaugh at  
Chairperson

9:07 a.m. ~~P.M.~~ on January 31, 1989 in room 423-S of the Capitol.

All members were present except: Representatives Ensminger and Gross who were excused.

Committee staff present: Norman Furse, Revisor of Statutes Office  
Raney Gilliland, Legislative Research Department  
Marjorie Brownlee, Committee Secretary

Conferees appearing before the committee: Dr. Walter Woods, Dean of Agriculture and  
Director of Kansas Cooperative Extension  
Service, Kansas State University  
Dr. Danny Sims, Professor of Animal Science  
and Industry, Kansas State University  
Dr. Don Pretzer, Assistant Director of Agri-  
culture and Natural Resources, Kansas  
State University  
Mr. Tim Beck, Wilson County Agriculture Agent  
Dr. Stan Farlin, Associate Director of Exten-  
sion, Kansas State University  
Mr. David Darling, State Extension Specialist  
in Community Economic Development, Kansas  
State University

The minutes for the January 18, 1989, meeting of the House Agriculture and Small Business Committee were presented to the members of the Committee. Representative Freeman made the motion to accept the minutes as presented. Representative Bryant seconded the motion. The motion passed.

Chairman Susan Roenbaugh introduced Dr. Walter Woods, Dean of Agriculture and Director of the Kansas Cooperative Extension Service at Kansas State University.

Dr. Woods spoke briefly, reiterating the fact that Cooperative Extension in Kansas is an education effort which is jointly funded by federal, state, and county funds. He noted that Extension has focused its efforts on six areas: (1) ag profitability and competitiveness, (2) economic revitalization, (3) water quality, (4) conservation of natural resources, (5) human health and well being, and (6) developing human resources. (Attachment 1)

Dr. Woods said specialists would review specific aspects of the program. He introduced Dr. Danny Sims, Professor of Animal Science and Industry. Dr. Sims discussed the Beefpro software program for computer use, a decision-making aid for farmers. This program helps farmers to make the decisions which increase profitability with their cowherds. (Attachment 2)

The next specialist to speak was Dr. Don Pretzer, Assistant Director of Agriculture and Natural Resources, who cited some of the impact of Extension on people across the state. Dr. Pretzer said that during his thirty-year career Extension has made two great strides---(1) in the extensive work being done on cost effectiveness of all production technologies and the extension of the results to people across the state, and (2) the intertwining of environmental issues with that production technology.

Dr. Pretzer discussed workshops and programs which have been presented for and by agents and specialists concerning profitability and

CONTINUATION SHEET

MINUTES OF THE HOUSE COMMITTEE ON AGRICULTURE AND SMALL BUSINESS,  
room 423-S, Statehouse, at 9:07 a.m./~~p.m.~~ on January 31, 1989

environmental issues, aid to farmers concerning the drought, insecticide carry over as a result of the drought, balanced farm and family living, etc.

Tim Beck, Wilson County Agriculture Agent, spoke to the Committee of experiences in his County with the Balanced Farming and Family Living Program. They have conducted extensive soil testing and advised of nutrients needed thereof. Under the program the agent has encouraged families to get together to set goals and has provided activities to help them reach goals in livestock production, crop production, marketing, and farm and family economics or recordkeeping. (Attachment 3)

David Darling, State Extension Specialist in Community Economic Development, outlined his program of education for agents and community leaders which aids in the economic development of their areas. The endeavor to create "new things" and to make "old things" perform better and more efficiently is achieved through this program. He said they try to first work with what the community has, improve the buy and sell relationships in the area, help new businesses start up, capture dollars which are unearned, and finally bring in new business. Many of the community problems can be solved by working with the area as a whole. (Attachment 4)

Dr. Woods, in his concluding remarks, stated their desire was to show the teamwork involved between the University, state specialists, county agents, and other organizations in disseminating information and training.

Chairman Roenbaugh presented a bill which she had been requested to introduce regarding public warehouses, relating to annual statements of depositor's grain. (Attachment 5) Representative Solbach moved that the Committee accept the bill. Representative Amos seconded the motion. The motion passed.

Chairman Roenbaugh adjourned the meeting at 9:50 a.m.

The next meeting of the House Agriculture and Small Business Committee will be February 2, 1989.

GUEST REGISTER

DATE JANUARY 31, 1989

HOUSE OF REPRESENTATIVES  
COMMITTEE ON AGRICULTURE AND SMALL BUSINESS

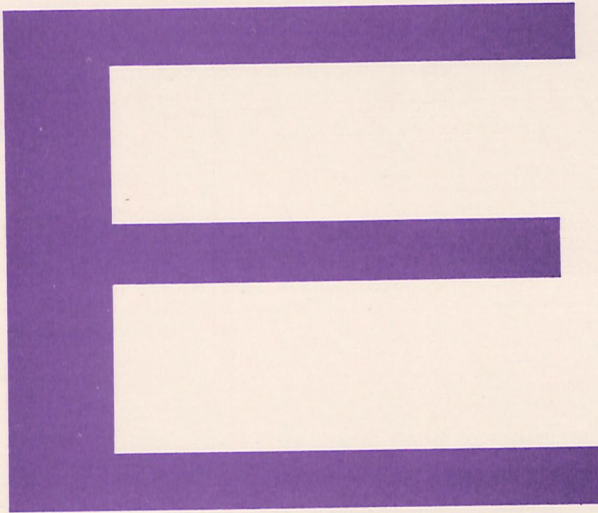
NAME	ORGANIZATION	ADDRESS
Joe Rickabaugh	Ks. Livestock Assoc.	Topeka
Denny Simms	KSU	Manhattan
Jim Beck	KSU	Manhattan
Don Pretzer	KSU	"
David Darling	KSU	"
David Sillit	Extension	SYRACUSE
Jamie Cheatum	Extension	Syracuse
Stan Farlin	KSU Extension	Manhattan
Debbie McCaskill	K. D. O. Commerce	Topeka
Beverly Wilhelm	Co. Dept. of Commerce	Topeka
Howard M. Lee	KAWG	MANHATTAN
Freeman Perry		Topeka
DENNIS R. BAKER	SRS WORK	Topeka
Alice Devine	KSBOA	Topeka
Joe Lieber	H.S. Co-op Council	" "
Hyde Jacobs	Kansas State University	Manhattan-

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# FARM PROFITABILITY &



# ECONOMIC DEVELOPMENT

\_\_\_\_\_ A Report to  
\_\_\_\_\_ Kansas Legislators

\_\_\_\_\_ By the  
\_\_\_\_\_ Kansas Cooperative Extension Service  
\_\_\_\_\_ Kansas State University

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## Cooperative Extension Service

Office of the Director  
Umberger Hall  
Manhattan, Kansas 66506  
913-532-5820

January 31, 1989

To members of the Kansas Legislature

Dear Friends:

The Kansas Cooperative Extension Service has mounted vigorous programs designed to restore competitiveness and profitability to Kansas agriculture and strengthen economic performance in rural communities. This report provides an overview of those efforts.

For agriculture, fifteen interdisciplinary task forces have been given leadership responsibility for developing educational programs to help provide a competitive advantage, protect the resource base and insure environmental quality. The focus is farm profitability, improved management, and better economic analysis throughout the production-management-marketing cycle.

An Economic Development Program Committee has been established in each county and economic and rural revitalization is receiving renewed emphasis in county, area, and state programs. The thrust in community and economic development is research-based, educational programs which provide for self-help, self-analysis, and self-determined strategic programs.

We invite your comments or suggestions on these or any other Extension programs.

Sincerely,

Walter R. Woods  
Dean of Agriculture and Director,  
Kansas Cooperative Extension Service

# EXECUTIVE SUMMARY

**Issue-based planning:** Cooperative Extension has implemented a statewide issue-based planning process which focuses on priority educational needs. This report highlights a few educational programs in Agricultural Profitability and Competitiveness and Economic Revitalization, two areas that have been major educational thrusts for some time.

**Agricultural profitability:** To assist in restoring competitiveness and profitability to Kansas agriculture, 15 interdisciplinary task forces were given leadership responsibility for integrating production, financial and marketing procedures into teachable and extendable programs, including: beef, swine, dairy, grazing lands, alfalfa, wheat, corn, grain sorghum, soybeans, water quality, soil and water conservation, non-point pollution, agricultural chemicals and the environment, ornamentals and turf, and horticultural food crops.

Extension programs that provide producers with an economic or competitive advantage, protect the resource base and ensure environmental quality are prime objectives.

**Economic development:** A program development committee for economic development initiatives has been established in each county, and economic and rural revitalization is receiving renewed emphasis in all county, area and state extension programs. Eleven educational thrusts are described: community and economic development, staff development, strategic planning, economic analysis, food-related businesses, PRIDE, DIRECT, job search skills, Balanced Farming and Family Living, Living Resourcefully, Family Community Leadership and Marketing Seminars for Women.

The thrust of educational programs in community and economic development programs is self-help, self-analysis, and self-determined strategic programs. Local communities are helped to develop effective decision-making structures, analyze problems and opportunities, identify alternative and long-term strategies, and plan and implement economic development programs. PRIDE is a comprehensive self-help program for Kansas Communities. DIRECT is a one-stop point of contact to help Kansans find the economic, business and rural development assistance they need to start or expand a business. Educational programs help selected farmers and families to set goals, obtain a comprehensive financial analysis of the farm business and establish a marketing plan. Educational programs are also organized to assist in developing job search skills, starting food-related businesses and strengthening community development efforts through community analysis, use of volunteers and community leadership.

# INTRODUCTION

**Mission:** The mission of the Kansas Cooperative Extension Service is to provide practical and useful information to the people of Kansas through informal, out-of-school, non-credit educational programs in every county in Kansas. These programs are based on scientific knowledge, applied principles and recommended practices.

**Scope:** Cooperative Extension, with its headquarters at Kansas State University, five area offices and 105 county offices, delivers educational and technology transfer programs throughout the state. The year 1989 marks the 75th year of service for the Kansas Cooperative Extension Service. This report highlights a few of the educational programs in Agricultural Profitability and Competitiveness and Economic Revitalization, programs that have been major educational thrusts for some time.

**Focus:** The objective of extension's program planning effort is to (1) identify the priority educational needs of citizens and (2) meet those needs with research-based educational programs. Extension agents work directly with elected program committees to review the county situation, identify major problems and set county educational goals. Simultaneously, K-State extension specialists study economic and technology trends, analyze pertinent data and assist in identifying educational needs that may not be recognized at the county level.

Based on a statewide, comprehensive planning effort, the Kansas Cooperative Extension Service has implemented an interdisciplinary, issue-based program which focuses on six priority programs and includes:

- Agricultural Profitability and Competitiveness
- Economic Revitalization
- Water Quality
- Conservation of Natural Resources
- Human Health and Well-Being
- Developing Human Resources

**Agricultural profitability and competitiveness:** To assist in restoring competitiveness and profitability to Kansas agriculture, 15 commodity-based, interdisciplinary task forces have been given leadership responsibility for integrating production, financial and marketing procedures into educational programs on beef, wheat, soil and water conservation, swine, corn, non-point pollu-



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tion, dairy, grain sorghum, agricultural chemicals and the environment, grazing lands, soybeans, ornamentals and turf, alfalfa, water quality, and horticultural food crops.

**Economic Development:** Community revitalization and development programs include: community economic development, DIRECT, staff development, job search skills, strategic planning, Balanced Farming and Family Living, economic analysis, Living Resourcefully, food-related businesses, PRIDE, Family Community Leadership, and marketing seminars for women.

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## FARM PROFITABILITY

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### Farm Profitability and Competitiveness

**Beef:** Kansas has a total of 1.5 million beef cows, 3.5 million fed cattle and 6.5 million cattle slaughtered. Livestock and livestock products account for nearly 60 percent of cash receipts from farms and ranches. Extension programs are designed to respond to the needs of a dynamic, competitive industry. Programs focus on profitability in each sector of the industry — cow-calf, stocker, and farm and commercial feeding. Intensive educational and demonstration programs help cattlemen determine production costs, enhance marketing skills, improve production efficiency and identify critical problems. KSU specialists have developed and implemented Beef-pro, a computer software program to improve economic decision-making, integrate financial and production practices and enhance profit. Preliminary results from a demonstration using 6,000 cows suggest that net profit can be increased by \$25 per cow or \$150,000 for 6,000 cows.

**Swine:** This \$318 million industry is Kansas' second-largest livestock industry. Extension swine programs are a model of how educational programs can be geared to the differing needs of large, high-tech producers, typical producers, and small, low-input producers.

High-tech producers meet centrally and regularly for one- to two-day seminars featuring recognized experts from Kansas State University and the world. Specialists organize intensive educational programs featuring the latest research developments and most efficient technological advances. Personal consultation with experts is important to many members of the high-tech group. To meet the needs of intermediate or small producers, extension programs are organized by specialist teams from animal science, economics, engineering, and veterinary medicine and presented in readily accessible locations across the state. Typical subjects addressed in those meetings include feed and production costs, mar-

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keting, housing, facilities, insect pests and swine health. Swine Day at KSU annually draws 400 or more producer and industry representatives.

**Dairy:** Dairy accounts for \$156 million in milk sales and \$16 million in dairy-beef sales in Kansas. Although milk surpluses pose a threat to profitability, specialists have developed data and educational programs demonstrating that a high rolling-herd average is a key to profit. Data also show that most Kansas dairies must produce about 750,000 pounds of milk per worker to justify investment costs. Dairy extension programs, by producer demand, feature workshops, demonstrations and publications on dairy herd improvement records, dairy nutrition, reproduction, management, herd health and sire, dam and heifer selection. Two classic dairy extension programs include (1) An Artificial Insemination (AI) Repro-Fresher Clinic featuring instruction in AI technique, heat detection, heat synchronization and repeat breeders, and (2) Dairy Management Clinics emphasizing dairy economics, feed efficiency, forage quality, reproduction, management and critical economic decisions.

**Grazing lands:** Kansas grazing lands include 16.9 million acres of range, 2.24 million acres of tame pasture and about 3 million acres of annual forages — about 43 percent of the state's total agricultural land. The 1982 natural resource survey classified 57 percent of the range and 53 percent of the tame pastureland in fair to poor condition. Consequently, range and pasture improvement are significant educational thrusts and management is a key component. Long-term management tools recommended to producers through demonstrations and workshops include grazing systems, prescribed burning, species selection, brush and weed control, water development and fencing. Short-term programs on meeting forage needs during drought conditions were critical in 1988. Beef-pro computer software was also used extensively because its grazing component examines the best management practices for specific range and pasture sites.

**Alfalfa:** Alfalfa, the major forage crop in Kansas, is grown on about 1 million acres and produces 3 to 4 million tons of forage annually. Gross returns per acre of alfalfa compare favorably with other crops. However, with good management and without large increases in input, it is estimated that yield could be increased 50 percent, to 5 to 6 tons per acre. Specialists on the alfalfa task force have identified harvest management as a key component in improving yields and reducing unit production costs. Well-timed harvests maximize forage quality, minimize leaf loss, maintain root reserves, help resist root and crown rots and maintain stand longevity. Other key components of the educational program include disease and insect management, weed control, irrigation scheduling, cost and return analysis and plant and soil management.

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**Wheat:** Kansas is the nation's top producer of hard red wheat, with 10.2 million acres harvested and a farm value exceeding \$1.4 billion annually. Marketing strategies and cost-cutting production practices are important parts of educational programs organized by the wheat task force because wheat supplies have been high and prices correspondingly low. In addition, farmers are increasingly asking for detailed information in critical subject areas rather than general production topics. Popular educational programs include wheat profit seminars, marketing schools and in-depth wheat schools. Variety plot demonstrations are widely used by producers and wheat variety crop performance bulletins are priority reading at seed selection time.

**Corn:** In 1986, 4.1 million bushels of corn was produced on 1.3 million acres and was valued at \$281 million. Corn is an important part of the feed grain base which makes Kansas the leading beef slaughtering state in the nation. Corn is a high-yield, high-value crop, yet has the highest per-acre production cost of any Kansas grain crop. Variable costs (seed, fertilizer, pesticides, etc.) account for over half of the total production costs. Educational programs organized by the corn task force emphasized production efficiency, economics and marketing and integrated decision-making. Understandably, production efficiency (yields which maximize returns per invested dollar) is high priority. Educational components include use of (1) adapted, high-yielding, disease-resistant hybrids (2) cost-effective fertility programs (3) cost-effective and environmentally sound weed and insect control and (4) irrigation scheduling techniques to save water and energy.

**Grain sorghum:** In 1986, Kansas, the leading grain sorghum-producing state in the U.S., produced 3.1 million bushels of grain sorghum valued at \$401 million on 4.2 million acres. Grain sorghum is an integral part of many cropping systems because of its adaptability to climatic and soil conditions. The greatest production is in southwest, north central and northeast Kansas. In today's economic climate, sound marketing decisions and cost-effective production are essential to enterprise profitability. Farmers are seeking help in integrating production, management and marketing decisions. The educational thrust of the grain sorghum task force is directed at full-load grain sorghum production schools and includes profit seminars and marketing and production techniques. Specialists also organize hybrid performance observation plots, sprayer calibration demonstrations and marketing clubs.

**Soybeans:** In Kansas, soybeans rank fourth in crop value behind wheat, grain sorghum and corn. The state's soybean acreage is located primarily in the eastern third of the state. Considerable opportunity for double-cropping exists in southeastern Kansas. Soybean acreage in western Kansas is expanding moderately due to irrigation. The soybean task force, in consultation with agents and

producer groups, divided its educational efforts into three major categories: (1) production, where the thrust ranged from preplant to marketing decisions; (2) management, focusing on developing a sound cost/return analysis upon which production and marketing decisions could be based; and (3) marketing, where farmers were helped to implement marketing alternatives – futures, options and marketing clubs. Soybean profit seminars have been well attended by producers.

**Water quality:** Water quality is a priority program because 500,000 Kansans use private water supplies and 95 percent of rural residents use groundwater for drinking water. Most fresh groundwater in the state meets state and federal drinking water standards. However, detectable amounts of pesticides have been found in eight of 22 major reservoirs, ten of 35 county and city lakes, and ten of 19 drinking water lakes. A survey of farmstead wells showed that nitrates exceeded drinking water standards in 28 percent of the wells. Detectable amounts of volatile organic chemicals were found in 9 percent of the wells. The water quality task force has mounted a vigorous educational program, completed 12 publications and several video and slide tape sets on water quality, and organized numerous community seminars. Statewide water quality training sessions for county agents, health service and other agency personnel were conducted in 1987. Water quality seminars and teaching materials were presented to classroom teachers in 1988.

**Soil and water conservation:** More than 23 million acres (nearly 40 percent) of the state's land, including 10.5 million acres of cropland, is classified as highly erodible. The 1985 Farm Bill requires that conservation plans be completed by 1990 and fully implemented by 1995 on all highly erodible land. Farmers were immediately informed of those provisions using Telenet, mass media, workshops and cooperative programs with SCS, ASCS, FmHA, FCIC and Forestry in a classic example of interagency cooperation. As a result, at least 1,800 landowners or operators have implemented better cover crops, more than 2.1 million acres were enrolled in the conservation reserve program, 750,000 acres seeded in 1987 will be accepted as "established" in 1989, and conservation plans for more than 60 percent of the state's highly erodible land are in place. K-State specialists were members of the USDA national training team, designed computer software for state and national use and obtained a \$32,000 grant to study the economic implications of the 1985 Farm Bill. They were honored by the Kansas Association of Conservation Districts for outstanding service.

**Non-point pollution:** The State Water Plan recommends the implementation of educational programs in non-point pollution in all 12 Kansas basins. The plan envisions the adoption of manage-

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ment plans for pollution abatement in 105 conservation districts. A non-point pollution task force has been appointed and pollution abatement principles are being incorporated in appropriate crop and livestock production and natural resource management programs. In addition, non-point source pollution educational efforts are correlated with SCS, ASCS, Conservation Commission and other interagency efforts to help farmers control erosion, prevent groundwater pollution, understand best management practice and implement the provisions of environmental and farm law.

**Agricultural chemicals and the environment:** Without agricultural chemicals, estimates indicate that U.S. food production would decline 50 percent and food prices would climb 50 to 75 percent. Nevertheless, the general public is concerned about the adequacy and safety of the food supply. To protect environmental quality, private and commercial applicators must be certified before applying restricted-use pesticides. Although the State Board of Agriculture supervises the certification process, Cooperative Extension conducts the educational program and prepares all training materials. Task force specialists develop and update the 19 manuals used in the certification process and provide leadership for applicator training programs. The task force also organizes educational programs to help ensure the safe application of chemicals in irrigation water as outlined in the 1985 Chemigation Safety Law.

**Ornamentals and turf:** The grounds management industry, a \$700 million industry, provides lawn care, landscape maintenance, design and construction and arboriculture services. Annual expenditures for those services exceed \$35 million. The task force consulted with industry representatives and organized educational programs which focus on integrating business management and maintenance practices and increasing consumer awareness. Educational components include business management, selection of adapted plants, plant installation, cultural management, problem diagnosis and safety. Information delivery is built around workshops, demonstrations, tours, individual consultation, publications with adaptive and applied research results, computer software and video cassettes. Programs often are planned cooperatively with groups who instruct others, thereby expanding the educational impact.

**Horticultural food crops:** Income from more than 50,000 acres of fruits and vegetables grown in Kansas is estimated to exceed \$35 million. Excluding those who grow dry beans, popcorn and sweet or Irish potatoes, 68 percent of all vegetable producers grow less than 15 acres of vegetables and depend on small local markets. Production of most food crops is a labor-intensive, high-cost, high-risk operation; the product may be perishable and about 25 percent of the producers have less than 5 years experience. Extension programs are designed to serve both small farmers and commercial producers using an intensive series of workshops, farm visits and

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demonstrations. Educational programs focus on business management, production recommendations for new growers and new crops, and post-harvest management. Six new production guides and a video tape were published for grower use. About 75 percent of the state's commercial growers participated in extension programs during 1988.

## **ECONOMIC DEVELOPMENT**

### **Economic Revitalization**

**Community economic development:** Extension agents and specialists help local communities develop effective decision-making structures, analyze problems and opportunities, identify alternative and long-term strategies, and plan and implement economic development programs. Programs focus on the community economy, the money flow into and out of the community, and planning. Economic development plans for selected segments of the economy are developed in 20 to 30 counties each year. The economic focus (agriculture, community services, health care, etc.) is determined locally and often has been directed to a single segment of the economy. Communities are now being encouraged to adopt community-wide strategic economic development plans.

**Staff development:** The 1987 Legislature directed that a program development committee for economic development initiatives be established in each county. In response, economic development has been given increased emphasis in all educational programs at the state, area and county level. County agents received two economic development training programs. Extension specialists and county agents cooperate to provide committee members with in-depth training in economic development and rural revitalization. About half of the county program development committees have participated in the training program.

**Strategic planning:** A major effort to implement strategic economic development plans in selected counties is underway. This comprehensive planning program has been started in three counties and will be expanded to a six-county area. When fully implemented, extension agents and specialists will provide the organizational impetus for strategic planning programs in 10 counties each year. The DIRECT program strengthens the strategic planning process through economic analysis.

**Economic analysis:** Community decision-makers often lack data and analytical capability to make informed economic deci-

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sions. Extension specialists have developed several analytical tools which support strategic planning in economic development. Many of those analytical techniques are not readily available from other sources. (1) Pull-factor analysis provides a regular estimate of community retail sector vitality. (2) A community's competitive rank in specific economic sectors can be determined because specialists conducted a massive study of state employment patterns. (3) Local attitudes impacting a variety of economic development plans can be obtained using specially developed surveys. (4) Consumer buying patterns can be ascertained to show where and why local groups buy various goods and services. (5) Specialists and the DIRECT office maintain access to a large number of data bases to support development of economic strategies and educational programs.

**Food-related businesses:** Potential entrepreneurs frequently call the Kansas DIRECT office for business and product development information. Interest ranges from jelly to baked goods and from snack products to catering. Most food-related businesses start small, operate first from the home, have limited business experience and may never have produced food items commercially. Requests for assistance relate to labeling, equipment, market information and packaging. Health, licensing and labeling regulations are also of concern. Extension programs for persons planning to start small, food-related businesses include workshops on legal requirements and principles of business management. Programs are tailored to local needs.

**PRIDE:** The Kansas PRIDE program, a 19-year-old self-help program for Kansas communities, is jointly administered by the Cooperative Extension Service and the Kansas Department of Commerce with support from business and industry groups. All Kansas communities, regardless of size, are encouraged to implement total community development programs. Since 1979, 387 Kansas communities have enrolled in PRIDE (80 to 100 communities enroll each year) and have completed more than 20,000 voluntary community improvement programs.

Last year, the 87 enrolled communities organized 1,577 community improvement projects resulting in 339 instances of improved community services and 49 instances of improved community facilities. Job creation and downtown revitalization received special emphasis. The equivalent of more than 130 years of volunteer labor, conservatively valued at \$1,203,725, was donated. Traditionally the governor participates in recognizing community achievement through a system of Blue Ribbon, Pacemaker or monetary awards.

**DIRECT:** The DIRECT program provides a one-stop point of contact to help Kansans find the economic, business and rural

development assistance needed to start new businesses, create jobs and foster rural development. DIRECT means "Development Information: Referral, Coordination, and Training." The referral program, organized in 1987 by the Cooperative Extension Service, now accesses more than 500 different data bases.

In just 18 months, the DIRECT staff has handled nearly 1,000 inquiries about economic development. Many questions deal with food processing, business start-up, funding sources and other value-added activities. Inquiries range from questions that take minutes to answer to those which take several days to research or which require consultation with appropriate experts. Requests can be made by calling county agents or the DIRECT office at 913-532-7987. Response time is about 24 to 48 hours.

**Job search skills:** Many adults are faced with changing careers in mid-life, especially those leaving the farm or agribusiness. Others, women in particular, are entering the job market for the first time. To provide a community-based program, 66 extension professionals were trained to help individuals adapt their skills, resources and needs to the job market. In 1988, about 900 individuals were helped to enter the job market.

**Balanced Farming and Family Living:** The Balanced Farming and Family Living Program helps selected farm families achieve individual family and farm goals. The program, made possible by federal 1440 funds, has enrolled 132 farm families in 12 counties. Each family has participated in a goal-setting workshop, completed a farm financial analysis (FinPack), and developed a marketing plan. Those families now keep better records, perform enterprise and financial analyses, and make improved crop, livestock and family management decisions. Family-selected goals become the educational focus of a team of specialists in agricultural economics, family living, agronomy and animal sciences working directly with agents and farm families. With renewed funding, four to six counties will be added to the program in fiscal 1989.

**Living Resourcefully:** This program provides educational and support materials to assist families with cash flow problems. Targeted audiences include ethnic minorities, low-income families and new and traditional clientele. The thrust is time/money trade-offs, family resource decisions and related subjects. Eighty county agents have elected to organize local Living Resourcefully programs. The *Young Families* newsletter is helpful in introducing the program to new audiences, minorities and low-income families.

**Family Community Leadership:** Effective leaders are essential if communities are to plan economic development strategies, build effective decision-making structures and adapt to economic and social change. Family Community Leadership (FCL) teams



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have been formed in 11 counties, volunteers have been trained in 24 counties and additional teams of community leaders are being recruited. Each FCL team provides a focus for building leadership skills in community affairs and public policy, issue analysis and resolution, volunteerism, team building, teaching and communication skills. Participants include farm, church, chamber of commerce, civic and community leaders. Funds from three grants support leadership development efforts.

**Marketing seminars for women:** Because price volatility is likely the primary source of financial instability, Kansas home economics agents have targeted family financial management as a top priority. Many wives manage farm records as a member of the farm management team. Home economics agent training seminars in *Managing the Marketing of Crops and Livestock* help reach this important audience. Futures markets, commodity options, marketing plans and marketing clubs for women are the program emphasis.

UTILIZATION OF BEEFPRO CATTLE MANAGEMENT SOFTWARE  
TO IMPROVE PROFITABILITY OF COWHERDS IN KANSAS

Cowherds are a very important part of many Kansas agricultural operations. In fact, in many cases profitability of the cowherd will determine the standard of living and ultimately survival of the operation. Unfortunately, cowherds haven't been profitable even 50% of the time in the last two decades. This lack of profitability is partly the result of the cost/price squeeze which has plagued agriculture during this time period and partly the result of poor management. Additionally, cattle production is becoming increasingly complex with producers facing an increasing number of questions regarding the application of profitable management practices and new technology. The increasing complexity of cattle production makes it imperative that producers use every tool available to improve the accuracy of management decisions. Clearly, it is time to harness the power of the computer as an aid in increasing the number of alternatives which can be evaluated prior to making a decision.

The BEEFpro Cattle Management Software package was developed at Kansas State University with the goal of providing such a tool. It provides cattle producers with an organized approach to analyzing the strengths and weaknesses of their cattle enterprise. It accomplishes this goal by performing the following functions:

1. Assists producers in preparing a cost/return analysis of the cowherd enterprise.
2. Helps evaluate current levels of production and management practices.
3. Troubleshoots the enterprise noting specific cost categories that are higher than state averages and levels of production that are lower than state averages. It provides a list of recommendations for specific management changes which will improve profitability.
4. Provides a projection of the economic impact of implementing these management changes.

The recommendations for changes provided by BEEFpro include ways of increasing the percentage weaned or weaning weights, or ways of decreasing costs. The program considers additional costs as well as additional returns. In other words, "profit" is the central theme of a BEEFpro analysis.

BEEFpro has been used with over 150 Kansas cattle producers during the past year and a half. Additionally, it has been used at numerous public meetings attended by

*Ag. SB*  
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hundreds of producers. It has proven to be a very useful educational tool both in these individual sessions and in group teaching situations.

#### Examples of the impact of BEEFpro

As an example of its impact, an analysis with one cattle producer resulted in reducing the winter feed bill for a herd of 150 cows by \$11,000 - an increase in profit of \$11,000. While this is an extreme example, BEEFpro has routinely demonstrated ways of improving profitability by \$2000 to \$5000. Many producers are requesting an annual BEEFpro analysis as a means of assessing the financial standing and progress of their operation. Follow-up visits with producers who used BEEFpro last year indicates that most of them have implemented the plan developed during the analysis.

While the use of BEEFpro to date has focused on cow/calf enterprises, several additional modules addressing stocker and finishing enterprises will be released in 1989. In addition, a cowherd nutrition module and a grazing/management module are in field testing and will be added to the program.

**BALANCED FARMING AND FAMILY LIVING PROGRAM**  
**Major Program Components**

**Determining a Direction for Farm and Family Living**

- 1) FINLRB long range budgeting plan to identify profitable farm business plans.
- 2) Goal Setting Meetings to identify farm and family goals to be achieved.

**Management Plan**

- 1) Activities required to reach farm and family goals established.
  - a. Crop Production Activities
  - b. Livestock Production Activities
  - c. Marketing Plan Activities
  - d. Farm/Family Economics Activities

**Livestock Production**

- 1) Beef/Swine Surveys
- 2) BeefPro Analysis
- 3) January 11-Beef Target on Profit
- 4) January 12-Lambing School
- 5) February 8-District Lamb Wool School-Yates Center
- 6) Team Consults using K-Farm to price management activities
- 7) Publications in the Reference Notebook

**Crop Production**

- 1) Individual Field Surveys
  - a. Weed Problems
  - b. Soil Fertility
  - c. Soil Type
- 2) Field by Field Recommendations
- 3) Pricing Field Management Plans using K-Farm
- 4) January 20-Wheat School
- 5) February 2-Soybean School
- 6) Publications in the Reference Notebook

**Marketing**

- 1) Understanding Basis November 16th Meeting
- 2) Forward Pricing
  - a. Hedging
  - b. Basis Contracts
  - c. Forward Pricing Tools
- 3) Ag Options-Nov 23rd
- 4) Marketing Plan
  - a. Definition and Use
  - b. Writing a plan using Mark Nelson's format
- 5) Publications in the Reference Notebook

**Farm and Family Economics**

- 1) Recordkeeping
  - a. Account Books for Everyone
- 2) Family Budgeting
  - a. Each family completes a budget
- 3) Time Management Strategies
- 4) Financial Statements Video Program with case Farm Materials
- 5) K-Farm
  - a. Income Statement, Cash Flow Balance Sheet
- 6) Publications in the Reference Notebook

## KSU COOPERATIVE EXTENSION EFFORTS in ECONOMIC DEVELOPMENT

Economic development is the creation of new capacities to undertake, (1) ongoing efforts in more efficient ways, and, (2) new efforts in ways that were never before possible. The results of a successful economic development program are new business activity, new personal income flows, and new job creation in that order.

When a community or the State of Kansas addresses the issue of economic development four major questions need to be asked. These are the following:

1. What can be done to generate more economic activity?
2. How do we organize to undertake the task that will enhance our economy?
3. Who will lead the efforts and who will be a part of the team?
4. How do we pay for new costs that are required to underwrite the new efforts?

In Kansas, the Cooperative Extension Service is providing valuable educational assistance to address all four of the above questions. We act as inside and outside educators who help guide individuals and families; owners and operators of farms, ranches and non-farm firms; and community groups such as, economic development organizations, PRIDE Committees and local government officials. When I say inside educators I mean the county level KSU faculty. Outside educators are located at KSU Extension Offices in five area locations as well as at the University in Manhattan.

We have listed in another portion of the document the following activities and programs: Community Economic Development, Staff Development, Strategic Planning, Economic Analysis, Food Related Businesses, PRIDE, DIRECT, Job Search Skills, Balanced Farming and Family Living Skills, Living Resourcefully, Family Community Leadership, Marketing Seminars for Women.

I would like to highlight a few examples of efforts.

Pawnee County and particularly the people at the Chamber of Commerce in Larned asked the Community Development Team from the KSU Extension Service to help them develop a strategic plan. After many months a plan was written by a group of five dedicated citizens. Now the community, again with our help, is putting together a county-wide committee which will manage the implementation of that plan. One specific outcome has been the investment of \$6,000 in a wheat protein analyzer which resulted in an additional \$40,000 income to the Garfield Coop. KSU cooperated with a field officer from the Department of Commerce in this effort.

In Harper County we have organized a county-wide economic development effort. That effort officially started in the summer of 1987. It is funded by the county commission and is staffed by Ken Sherraden the RC, and D officer in Harper. Also, the new county extension agent Kirk Zoellner is also assisting. Some specific results include the approval of a county-wide enterprise zone, done with the help of the Department of Commerce. A retention and expansion task force has worked to retain a business that was thinking about moving out of Attica. It also helped resolve a water supply problem between the City of Harper and a Monfort Lamb Slaughtering facility. The committee works closely with SCKEDD, SBDC, and KDOC.

Report from: David Darling; State Extension Specialist in Community Economic Development.  
January 30, 1989

*Ag. SB  
01-31-89*

HOUSE BILL NO. \_\_\_\_\_

By

AN ACT concerning public warehouses; relating to annual statement of depositor's grain; amending K.S.A. 34-2,109 and repealing the existing section.

Be it enacted by the Legislature of the State of Kansas:

Section 1. K.S.A. 34-2,109 is hereby amended to read as follows: 34-2,109. (a) Every public warehouseman shall submit, annually, within 30 days prior to or subsequent to January 1, to each depositor of open storage or grain bank grain, a statement of grain stored in the public warehouse. The statement shall include, but not be limited to, the following information:

- (1) Type of grain deposited;
- (2) the total bushels or pounds stored;
- (3) the year storage of grain began; and
- (4) the storage rate.

(b) The provisions of this section are supplemental to the provisions of chapter 34 of Kansas Statutes Annotated.

Sec. 2. K.S.A. 34-2,109 is hereby repealed.

Sec. 3. This act shall take effect and be in force from and after its publication in the statute book.

Ag. SB  
01-31-89