

Environmental Stewardship and the Vermont Dairy Community in the Lake Champlain Watershed

National Farm Viability Conference

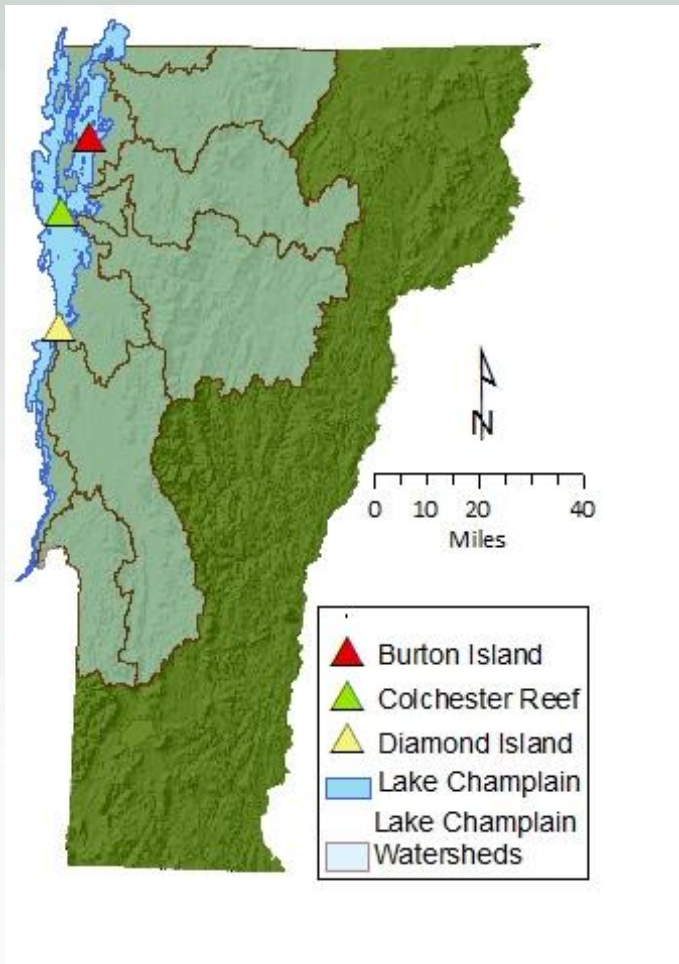
May 23rd, 2017

Session 3

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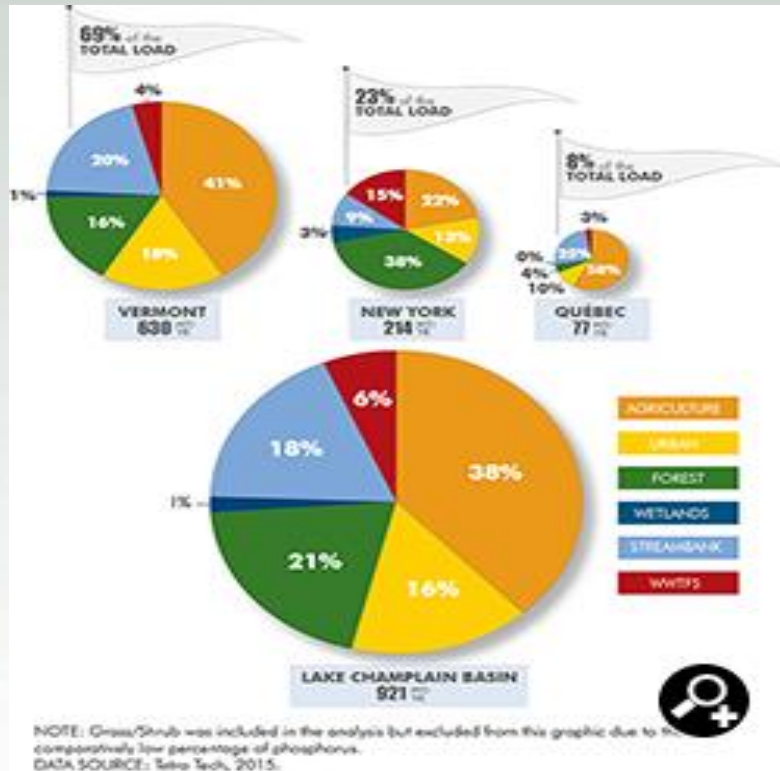


The Geography



- Total land area = 9614 sq. mi.
- The total basin is 8234 Square miles
- 4693 sq. mi. (57%) are in Vermont
- 48% of total land area of the state

Phosphorus Loading



The distribution of activities associated with both point and non-point sources covers all aspects of life

Water Quality Regulations

- Watershed Moments....
 - 2015 LCBP “State of the Lake”
 - December 2016 law turning “accepted agricultural practices” (AAP) into “required” (RAP).
 - Agronomic
 - Buffer zones
 - Cover cropping
 - Tillage
 - Fencing

- Infrastructure changes
 - Manure pits
 - Stacking pads
 - Barnyards
 - Bunk silos
 - Impervious surfaces

- Some projects done 5-10 years ago no longer comply

Yes, This Means You!!

- Large Farms (LFO) <5%
 - > 1000 cows
- Medium Farms (MFO) +/- 20%
 - 200 – 999 cows
- Certified Small Farms (SFO) +/- 75%
 - 50 – 199 cows
 - Non certified small farm is based on acreage and AGI

New Farm Viability Efforts

- Agronomic Practices
- Enterprise analysis
 - Costs
 - Balance sheet impacts
 - Profit/loss returns
- These projects can make return

New Farm Viability Efforts

- Cash Flow Analysis – Infrastructure Improvements
 - Costs
 - Balance Sheet Capacity
 - Cash Flow Capacity
- These projects are largely “Sunk Capital”

Some quick math...

- Federal funding based on Farm Bill cycle
- \$450 K per cycle (5 years) in EQIP funds
- State contribution “up to” \$200 K
 - For “covered items”
- Farmer pays no less than 10% of actual costs
- Project costs - \$5000 - >\$700,000!

Experience Matters

- New RAP's will bring in 450 new dairies under CSFO regulation
- Up to 75% have never applied for government assistance
- Average age of VT dairy producer +/- 59 yrs

Success Defined...

- Environmental Gains 2012 - present
 - Cover Cropping
 - From 2000 acres to +/- 30,000 acres
 - No till
 - 500 acres to 4000 acres
 - Reduced till
 - From 5-10% to +/- 60%
 - Buffer zones on all mapped water ways mandatory

Not All Good...

- Farm transition issues
 - Relocation
 - Outright sale
 - Does next generation want the debt?
- Over-extended financially
 - Compelled to make the investment
- Family stress