Aflatoxins Found in NJ Milk

Recently, there have been issues in New Jersey and other Mid Atlantic states with aflatoxins being detected in milk, resulting in tankers full of milk being discarded.

What are aflatoxins?
Aflatoxins are mycotoxins (toxic compounds produced by mold) most frequently found in corn grown in drought conditions.

Why the concern about aflatoxins?
Aflatoxins have been found to be carcinogenic to animals and perhaps humans, which is why they are monitored closely in the food supply. Milk is tested for aflatoxin M1 and when concentrations of 0.5 parts per billion (ppb) or greater are found, the milk must be discarded.

Lactating cows eating feed containing 20 ppb or greater of aflatoxins may produce milk exceeding the tolerance level for aflatoxins in milk. It takes the cow two to three days of aflatoxin-free feed for milk concentrations to fall below tolerance levels.

What can I do to prevent aflatoxins from affecting my milk?
If you have feed that may be suspect to containing aflatoxins, the feed may be sampled and sent for analysis at a certified lab. If you would like to test your milk for aflatoxin levels, there are a few options for testing including two different on farm tests that may be used.

If you would like more information about how to test your feed and/or milk and the costs of doing so, please give us a call at (856) 769-0090.

LGM Sign-Up: November 22

Funding for the Dairy Livestock Gross Margin (LGM) Program is readily available for the November sign-up period. The program is authorized in the lower 48 states, and with this widespread availability, funding will likely be quickly utilized. Dairy producers should give the LGM for dairy program consideration based on the extreme volatility in feed pricing alone. A policy could help to set a guaranteed margin and provide relief in an unstable environment.

If you feel that dairy LGM may benefit you, contact your crop insurance agent as soon as possible to get details for your farm and to take care of pre-enrollment issues. Sign-ups will begin on Friday, November 22 and continue through November 23, if funds are not exhausted.

2013 NOVEMBER

<table>
<thead>
<tr>
<th>Nov</th>
<th>Mon</th>
<th>Tue</th>
<th>Wed</th>
<th>Thu</th>
<th>Fri</th>
<th>Sat</th>
<th>Sun</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
<td>5</td>
<td>6</td>
<td>7</td>
<td>8</td>
</tr>
<tr>
<td>9</td>
<td>10</td>
<td>11</td>
<td>12</td>
<td>13</td>
<td>14</td>
<td>15</td>
<td>16</td>
</tr>
<tr>
<td>17</td>
<td>18</td>
<td>19</td>
<td>20</td>
<td>21</td>
<td>22</td>
<td>23</td>
<td>24</td>
</tr>
<tr>
<td>25</td>
<td>26</td>
<td>27</td>
<td>28</td>
<td>29</td>
<td>30</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Visit us on the web:
- Facebook
- Twitter
- WordPress Blog

If you have any questions, give us a call at:
(856) 769-0090
NJDA Pilot Project: Whole Farm Nutrient Mass Balance

Over the past year, staff from Rutgers Cooperative Extension of Salem County completed fieldwork and is in the process of finalizing reports regarding a NJDA supported program aimed at improving the environment through responsible farming with the use of recommended best management practices. The focus of the project was animal waste management/non-point source pollution control and this was address by looking at whole farm nutrient mass balance.

The project targeted 6 New Jersey dairy producers, across the state all have developed a NJDA animal waste management plan. The goal of this project is to enhance profitability while minimizing environmental loss of nitrogen (N) and phosphorus (P). Through this program, and by documenting farm level balances, opportunities were identified to increase nutrient use efficiency for greater profitability, and a reduced environmental footprint.

The project goal was to enhance farm profitability while minimizing environmental loss of nitrogen (N) and phosphorus (P). The project illustrated and documented environmental and economic imbalances on the farm independent of the farm location. Nutrient balance assessment served to help identify management alternatives that enhance nutrient use efficiency for environmental well being and dairy farm profitability.

Analyzing animal diets (inputs) as well as milk and manure (outputs) for protein and phosphorus levels is a recommended practice for feed efficiency and environmental impact. Input protein (crude protein) excesses are measured in milk as milk urea nitrogen (MUN); dietary phosphorus (P) supplementation excesses are measured via manure sampling. Results of dietary analysis are indicators of excessive nutrient supplementation. All pass through N and P are potential environmental pollutants.

Through this program and by documenting farm level balances, it helped to identify opportunities to increase nutrient use efficiency for greater profitability, and a reduced environmental footprint. This project was a pilot program with the intent of being expanded to include all other livestock and equine operations in New Jersey.

The final report will be available in the coming months and will be made available by request. Look for interesting finding in upcoming dairy newsletters. If you have any questions about this project or would like to learn more, feel free to contact Dave Lee, Jasen Berkowitz or Kelly Steimle at the Salem County Extension office at (856) 769-0090.
Livestock Gross Margin (LGM) for Dairy

Livestock Gross Margin (LGM) for dairy is an insurance program that provides protection against unexpected declines in the gross margin of a dairy operation. The market value of milk (gross revenue) minus feed costs (variable cost) equals gross margin. This expected value is calculated based on the futures prices of milk (Chicago Class III) and feed (corn and soybean meal) based on the futures market of the Chicago Mercantile Exchange. Unlike crop insurance where the majority of revenue risk exists with production, the risk with LGM dairy lies predominately with price of milk and feed. This program does not set a support price on milk nor does it consider variable costs beyond feed. Instead, LGM for dairy strictly covers the difference between the expected gross margin and the actual gross margin. Other causes of revenue loss such as production loss, damage to livestock, livestock death, etc. are not covered. LGM for dairy is a risk management tool for dairymen to help them remain sustainable.

To participate in the LGM for dairy program, expected prices would be determined for both feed and milk in the futures market. The next step would be to determine how many cwt of milk are to be insured. Once this is determined, the gross margin guarantee is established and then at month’s end, the actual prices of milk and feed are determined. Actual gross margin may then be calculated to determine if an indemnity payment is owed.

Any amount of milk may be insured assuming that specified amount can in fact be produced. The limit of milk that can be covered in a year is 240,000cwt.

Premiums are determined using a premium calculator program based on the amount of milk insured, expected gross margins for each period, and deductibles. Producers may select deductible levels between $0 and $2.00 per hundredweight of milk in $0.10 increments.

An application must be completed and filed while funds remain available but not later than the sales closing date of the initial insurance period for which coverage is requested. Coverage for the milk described in the application will not be provided unless the insurance company receives and accepts a completed application and a target marketing report, premium is paid in full, and the insurance company sends the producer a written summary of insurance. Coverage begins one full month following the sales closing date of the policy. In the eleven months in an insurance policy, ten months are insured because the month following sign up is not covered. To participate in the LGM for dairy program, consult your crop insurance agent.
LGM: Available Resources

There are a variety of educational resources and analysis tools available to help producers evaluate the LGM Dairy insurance protection. These include fact sheets, graphs, self-calculating analyzers (tables that you can generate anytime you choose), Power Points, recorded webinars, and etc. Samples of some of these items are attached or referenced below. We are not endorsing any of the materials, just introducing them to you. They do not contain guarantees, but they can be excellent educational resources.

- U-WI Dairy Web: [http://future.aae.wisc.edu](http://future.aae.wisc.edu)
- Information including is available from the Garden State Crop Insurance Education Team by calling (856) 769-0090.

- You can download recording from the following location: [http://future.aae.wisc.edu/LGMDairy/recordings/Vermont_LGM_10_12.wmv](http://future.aae.wisc.edu/LGMDairy/recordings/Vermont_LGM_10_12.wmv)
  (Be aware that this file is 158 Mb in size)
- PA Dept. of Ag maintains a variety of current charts, graphs, and fact sheets: contact is Karen Powell (kapowell@state.pa.us)
- Official Information is available from crop insurance agents. A list of agents is available at [www.rma.usda.gov/tools/agent](http://www.rma.usda.gov/tools/agent)

Due to the enrollment process of the LGM Dairy Gross Margins Protection (income minus feed cost) it is important that interested individuals contact insurance agents well ahead of the enrollment dates.

Source: RMA & PA Dept. of Ag

Happy Thanksgiving!

The Garden State Crop Insurance Crop Education Initiative Team would like to wish you and your families a Happy Thanksgiving! Travel safely, enjoy your families and don’t eat too much turkey and pumpkin pie!

Questions about crop insurance? Call a crop insurance agent or our toll free information line 800-308-2449
Or visit us online at [http://salem.rutgers.edu/cropinsurance](http://salem.rutgers.edu/cropinsurance)

Dave Lee
Jasen Berkowitz
Kelly Steimle
Penny Rammel

This newsletter is brought to you by the Garden State Crop Insurance Education Initiative, a partnership between the USDA Risk Management Agency, New Jersey Department of Agriculture and Rutgers Cooperative Extension of Salem County. For additional information about crop insurance, contact your crop insurance agent, locate a crop insurance agent at [www.rma.usda.gov/tools/agent.html](http://www.rma.usda.gov/tools/agent.html), visit our website [http://salem.rutgers.edu/cropinsurance](http://salem.rutgers.edu/cropinsurance) or call our toll free hotline 1-800-308-2449.

The U.S. Department of Agriculture (USDA) prohibits discrimination in all its programs and activities on the basis of race, color, national origin, sex, religion, age, disability, political beliefs, sexual orientation, and marital or familial status. (Not all prohibited bases apply to all programs.) Persons with disabilities who require alternative means for communication of program information (Braille, large print, audio tape, etc.) should contact USDA’s TARGET Center at 202-720-2600 (voice and TDD.)