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Idaho

Idaho net farm income jumped 46 percent in 2014

By SEAN ELLIS
Capital Press

BOISE — Idaho farmers and ranchers recorded a record \$4.53 billion in net farm income in 2014, while net farm income nationwide declined by an estimated 22 percent.

That record was set as a result of an 11 percent increase in total farm revenue during 2014 and a 6 percent decrease in farm expenses.

The estimates were made by University of Idaho agricultural economists Garth Taylor and Ben Eborn, and are based on a calendar year.

Net farm income in Idaho also increased 48 percent in 2013 and has grown at a rate of 12.6 percent a year since 2005, Taylor said. Idaho net farm income in 2014 was also a record in inflation-adjusted terms.

“We’re on a different growth pattern than U.S. agriculture,” Taylor said.

Idaho net farm income in 2014 was higher than gross cash receipts were 10 years ago.

The take-home message for policymakers, Eborn



Sean Ellis/Capital Press

Dry beans are harvested in a field near Wilder, Idaho, Aug. 26. Idaho net farm income soared 46 percent to a record \$4.53 billion in 2014, according to University of Idaho estimates.

said, “is that Idaho agriculture has just skyrocketed in

growth in the last 10 years.” But Taylor also cautioned

and experiences will swings. Idaho net farm income fell 37 percent in 2009 and it increased 40 percent in 2010. Idaho has experienced double-digit increases or decreases in net farm income in each of the last 10 years.

“Net farm income is hugely volatile. It just slams from one side to the other,” he said. “For government, that means volatile taxes.”

UI economists estimate farm-origin inputs such as feed, seed and replacement livestock, were down 4 percent in 2014, manufactured inputs (fertilizer, fuel, chemicals) were also down 4 percent, and other expenses such as contract labor, custom work, marketing, storage, repairs, transportation and maintenance, were down 12 percent.

The net farm income record was set largely due to a stellar performance by the state’s beef cattle and dairy sectors, which both brought in record amounts of cash receipts. Total revenues for milk in Idaho were up 26 percent to \$3.25 billion in 2014, while cattle revenue

increased 29 percent to \$2.47 billion.

“It was a very good year, one of the best years on record for our industry,” said Idaho Cattle Association Executive Vice President Wyatt Prescott. “It was definitely the best year cow-calf producers have ever had.”

It was also a great year for dairy producers, said Kuna dairyman Jack Davis.

“It was the best year I’ve ever had in my lifetime,” he said. “Most everybody did really good last year.”

Taylor told lawmakers not to expect another record year for gross cash receipts or net farm income in 2015, largely due to decreasing dairy prices. If dairy prices return to the 10-year average, total milk revenue in Idaho would be down by almost \$1 billion this year, he said.

He said it’s possible cash receipts and net income could return to 2013 levels, which were also records at the time.

“It would still be a really good year, it’s just not going to break any records,” Taylor said.

Planning, zoning board deadlocks on proposed ethanol plant

By SEAN ELLIS
Capital Press

CALDWELL, Idaho — Canyon County planning and zoning commissioners again failed to reach a decision Jan. 15 on a proposed facility near Greenleaf that would use barley and tubers to produce ethanol.

After three hours, commissioners voted 2-2 to deny a conditional use permit for the facility, which would include a food processing plant. Moments later, they deadlocked again on a motion to approve the ethanol plant.

The seven-member commission makes recommendations to the Canyon County Commission on proposed rezones and plats but makes final decisions on CUPs.

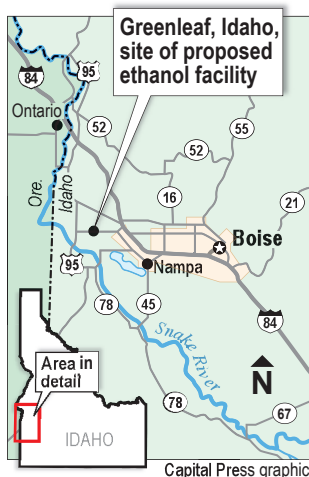
Canyon County Development Services Director Tricia Nilsson said that’s the first time the commission has deadlocked on a CUP during her tenure at the county.

“You can’t have a tie in a decision” when it comes to a CUP, she said. “There has to be, by state law, a written decision.”

Nilsson said she will consult with county attorneys and will present the commissioners some possible options for making a decision at their Feb. 5 meeting.

Three of the seven commissioners can’t vote on the CUP because they didn’t attend all of the previous hearings on the issue. One of the options could entail having one of the absent commissioners hear all the testimony so a fifth vote can be cast.

The commission’s decision can be appealed to the Canyon County Commission, “so we want to make sure there is a written decision and it’s very clear,” Nilsson said.



Capital Press graphic

The public hearing on the CUP request has stretched through four separate meetings and public testimony has been heavily against it.

Opponents of the proposed ethanol facility packed the planning and zoning hearing room Jan. 15 wearing red “no” tags. Concerns included odor, increased traffic, pollution, the impact two 100-foot towers would have on crop dusts, and decreased property values.

“Is this the kind of industry that we want?” Martin Koch, who has acted as a spokesman for the opposition, asked commissioners. “There’s a lot of people in this room and most of them say ‘no.’”

The applicant, Sot Chimonas, chief operating officer of Demeter-Bio-resources, said his company addressed all of the concerns adequately and added the facility would be much different from a nearby ethanol plant operated by J.R. Simplot Co. that closed in 2004.

Chimonas designed and operated that plant, which turned potato waste into ethanol.

“This is a much more modern facility,” he said. “It’s very different from that potato plant.”

Idaho embezzlement case continued

BLACKFOOT, Idaho — A preliminary hearing has been continued until Feb. 19 in the case of a former fresh potato shed employee charged with embezzling funds.

Russell C. Leonardson, the former financial controller at Aberdeen-based Idaho Select, Inc., was originally scheduled for a Jan. 15 hearing in Bingham County district court on two counts of grand theft and 70 counts of forgery.

Leonardson is accused of using his position to embezzle \$1.6 million from the company and an affiliated agricultural trans-

portation company that he managed, Select Express.

“It was continued essentially for the basis for both parties to be able to work with the case and communicate with each other,” said Bingham County Prosecutor Cleve Colson.

Grand theft carries a penalty of up to 14 years in prison and fines of up to \$4,000, and each count of forgery carries up to 14 years in prison and fines of up to \$50,000.

Idaho Select and Select Express have filed a separate civil lawsuit against Leonardson. According to the civil complaint,

Leonardson was hired by the company in 1997, and his duties included “establishing internal controls to protect Idaho Select from financial predators and deficiencies.”

After he resigned last August, the civil complaint alleges his company hired Cooper Norman fraud investigators, who discovered he’d apparently embezzled funds from January 2007 to July 2014 by altering records and diverting corporate funds for his personal use. The civil suit alleges the changes were discovered by security features in QuickBooks software.

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