



Farm Business Association

Larry McAlexander, head of the non-profit Southwest Iowa Farm Business Association, spoke at the Treynor Optimist Club on August 31. He said that farm business associations started in the 1930s as part of the Extension Service. Shortly after that they had to get their own funding. The

Southwest Iowa association started in 1964.

Originally these business associations helped farmers with everything. Now farming is so specialized that they need to focus more. In 2004 the Southwest Iowa association focused to the financial side of farming. They have developed a computer program to help with tracking finances. It uses single book entries and has over 10,000 users. It also is used to provide Iowa State University with raw data (without farmer names and private information) for their farming analysis and reporting.

Larry said that marketing is not important in a farmer's success. The main indicators of success are:

- Yield
- Dollars generated for each dollar spent
- Interest paid
- Family living expenses and out of pocket costs

For example, a farmer that spends a lot of money for his private living expenses is less likely to be successful.

Farming has been very profitable the last few years, but farm costs have also increased. In 2008 it cost an average of \$505 to plant and harvest an acre of corn. In 2012 it cost \$705. Including equipment costs, the cost was \$636 in 2008 and \$910 in 2012. Seed costs alone were \$68 in 2008 and \$106 in 2012.

The highest costs in farming are rent, fertilizer, and seed. Fertilizer and seed costs go up or down as profits go up or down. Rent prices rarely go down. In Pottawattamie County, cash rents for 70-80% of farms is \$250-\$325. They range from \$175 to \$450. With those prices, land is too expensive to make money

Calendar

Oct 29 – Optimist in Action day – drug dropoff at the Community Center

Birthdays

Aug 11 – Chad Gutttau (recognized)
Aug 23 – Judy Gutttau (recognized)

Anniversaries

Aug 9 – Tim & Janet Greiner
Aug 13 – Jerry & Barb Hempel
Aug 25 – Gary & Julia Funkhouser (recognized)

Programs

from. Therefore, most land now is bought by other farmers who pay 50% to 75% cash for the purchase. Farming has been lucrative from 2008 to 2012. The average income now is \$1.65 for every \$1.00 spent. Most years it is \$1.08 for every \$1.00 spent. In the 1980s farming was a losing business, with \$0.96 taken in for every \$1.00 spent, a loss of 4 cents.

Meeting Minutes

Ken Graham opened the meeting on August 31. Gary Funkhouser and Richard Vorthmann provided jokes and Dale Willenborg gave the opening prayer. Judy Gutttau contributed to the Youth Fund for her birthday. Judy Gutttau contributed the Youth Fund for bragging rights.

Gary Gutttau, Chad Gutttau, Ken Graham, and Gary Funkhouser helped with can kennel sorting this week. Kirk Vorthmann, Dale Willenborg, and Ken Graham helped with football tickets.

Gutttau's brought some auction items. Two sets of gourds auctioned for \$4 each and two bags of mixed peppers brought \$3 each.

Ken Graham won the 50/50 drawing. Dianne Willenborg won the attendance drawing, but did not collect. There were 14 members and 2 guests at the meeting.



Victoria Showalter picked up her Optimist scholarship check. She earned one year of college credits while in High School. She is going on a six month internship in El Salvador, from October to April. She was there for ten days last summer. It is the off-season there for service projects, so she will be involved in finding churches that need help and determining what their needs are. El Salvador is very poor. Her mission will cost \$1250 per month, so she wants to earn/raise \$10,000 before she leaves.

Victoria started school as a Freshman in Treynor, after being home-schooled. She took some classes at Iowa Western Community College.

Sept 7 – Dave Mason – Iowa Optimist District Governor

Prayers

- Sept 7 – Gary Funkhouser
- Sept 14 – Chuck Nielsen
- Sept 21 – Dee Gutttau
- Sept 28 – Gary Gutttau
- Oct 5 – Bill Vorthmann
- Oct 12 –
- Oct 19 – Dennis White
- Oct 26 – Dale Willenborg