Thanks to the heroic efforts of several PNAAW members, the Manure Expo was held August 21, 2007 despite more than 9 inches of rain on the field site on the days leading up to the show. Even with the cancellation of the field application and the spill response demo, between 550 and 650 applicators and farmers attended the event. Attendees came from across North America, including 18 states and 4 Canadian providences. State breakdown from registration forms and evaluations is as follows:

<table>
<thead>
<tr>
<th>State</th>
<th># of Attendees</th>
<th>State</th>
<th># of Attendees</th>
</tr>
</thead>
<tbody>
<tr>
<td>Georgia</td>
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<td>1</td>
</tr>
<tr>
<td>Idaho</td>
<td>1</td>
<td>New York</td>
<td>2</td>
</tr>
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<td>Oregon</td>
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<tr>
<td>Iowa</td>
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<td>Rhode Island</td>
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</tr>
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<tr>
<td>Manitoba</td>
<td>1</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Ontario</td>
<td>3</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Saskatchewan</td>
<td>2</td>
<td></td>
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</tr>
</tbody>
</table>

The Ohio applicators will be hosting the 2008 Expo the second week of July and Iowa may host in 2009.

Disaster Assistance Available

If your business (either physical equipment/resources) or income was affected by the floods that hit the southern part of Wisconsin in August, you may be eligible for low-interest loans to help the business recover. Your clients may also be eligible to apply for assistance. For more information, see the attached fact sheet.
Managing Soil Compaction Following the Heavy Rains of 2007
Dick Wolkowski, Extension Soil Scientist, University of Wisconsin

Portions of southwestern and southern Wisconsin received in excess of twelve inches of rain in early August of 2007. These storms not only saturated soils in the regions, but in many cases floodwater deposited sediment on crop fields. This event brings into sight a potential for soil compaction from subsequent vehicular traffic used for agricultural operations. The following article discusses the soil compaction process and steps producers can take to limit its effects.

Soil compaction is an inevitable consequence of modern agricultural systems, which like pests, disease, and weeds can be managed. Compaction occurs when a force is exerted on a soil that exceeds its bearing strength. As this force increases soil aggregates are re-arranged and if the force is great enough the aggregates are destroyed resulting in a massive, structure-less soil condition. Because the soil bulk density increases and porosity decreases (much of the loss in porosity being the larger pores that are essential for drainage and aeration) the soil tilth can be damaged to an extent that requires years to recover.

Compaction is affected by several factors, including the soil’s water, organic matter, and clay content. Arguably the factor that is most critical is the water content. Soils tend to be most easily compacted when the soil water content is near field capacity; the water content anticipated when the soil has been saturated and then allowed to drain for several days. Further drying will increase the bearing strength of the soil, but improvement in the soil condition will obviously be related future weather conditions, crop water use, evaporation, and management.

As the growing season nears its end there is the potential for heavy vehicular traffic from operations such as silage, forage, and grain harvest; and tillage and manure application. These operations are likely to be conducted when soils are susceptible to compaction. Listed below are several key considerations that operators should consider to reduce the potential for soil compaction this fall.

How Clean is Your Equipment?

Over the past month, farmers and manure applicators have been ticketed by local law enforcement officials in three counties in WI for littering (liquid drips or dried solids dropping off) manure from semis and tankers onto township and village roads. Some haulers are running 4 or more miles out of their way to avoid certain roads.

Local media coverage is giving all haulers in these communities a bad reputation. Before the busy season gets underway, please take a few minutes to think about the best ways to prevent this from happening and how you can protect your reputation. Some ideas to consider include:

- Power washing equipment between jobs (at least one hauler is building a truck/tanker wash for use between jobs)
- Training employees to know when tank is full (watch float, use a stopwatch) to prevent overflows
- Modifying fill port to reduce splashout (spring-loaded door, etc)
- Make sure valves close tightly to prevent drips/slow leaks

Be innovative! The best ideas in this industry often come from professional applicators
1. **Avoid operations on wet soils.** Modern agricultural equipment such as 4WD and tracked equipment allows operations in extremely wet soil conditions where conventional tractors would become stuck. Both surface structural puddling and compaction of the subsurface are likely in these conditions. If the soil is allowed to dry, often for just a day or two, its bearing strength increases and the potential for compaction decreases. Exercise patience and wait for soil conditions to improve.

2. **Limit load weight.** Soil compaction increases as vehicle weight increases. Adding duals or increasing tire size does not compensate for increased axle load and actually spreads compaction over a greater volume of the soil. When axle loads approach 10 tons the effects of compaction can be found well below the depth of tillage; possibly to a depth of 24 inches. Avoid driving large loads on soils that are wet and easily compacted. For example partially load chopper boxes and manure tankers. While this decreases operational efficiency it will limit the extent of compaction. Also, manage axle load by properly ballasting the tractor, maintaining proper tire inflation pressure, and limit slippage.

3. **Control traffic.** Most of the effect of soil compaction occurs in the first pass, so decisions on where to drive on wet soils is important. If travel is required in these conditions confine it by staying within the same tracks and avoid cutting corners. “Chasing the combine” can increase harvest efficiency, but in the long run it could reduce productivity due to increased compaction. Whenever possible unload in the headlands or better yet outside the field. There is farming concept called “Controlled Traffic Farming” that uses guidance systems to permanently establish and maintain wheel traffic lanes. Research has shown that this practice can increase yield up to 15%.

4. **Maintain soil quality.** Practices that improve soil quality will reduce the compactibility of a soil. Avoid removing crop residue and add organic matter such as manure or other organic materials to build and strengthen soil structure. Rotate crops such as forages and wheat when possible with corn. Consider adopting a reduced tillage system such as strip-tillage or find other ways to limit tillage intensity. Maintain soil fertility by applying recommended fertilizer and lime, with special attention to potassium. Research has shown row-placed potassium can offset some of the yield loss from compaction.

5. **Alleviating compaction.** Once a soil is compacted and structure is destroyed time will be needed to re-establish soil tilth. Natural phenomena such as wetting/drying and freezing/thawing will help rebuild structure over time, but should not be expected to correct problems by the next season. Deep tillage or subsoiling can remove restrictive soil features. A four year on-farm study in Manitowoc County showed that a straight-shanked subsoiling tool was superior to a v-ripper. Before investing in subsoiling document the extent and depth of compaction with a penetrometer or by digging a small pit to examine the soil and root distribution. Consider leaving two to three un-tilled strips to confirm that the subsoiling was worth the time and expense.
Managing Accounts Receivable

The first place to look for ways to improve cash flow is in accounts receivable. The key to an effective cash-flow management system is the ability to collect receivables quickly. If customers abuse your credit policies by paying slowly, any future sales to them will have to be COD (cash on delivery) until they prove that you will receive your money in a reasonable amount of time.

Receivables have inherent procedural problems in most small businesses. Information often gets lost or delayed between field staff and the accounting person who creates the billing statements. Many firms bill only once a month and may delay that step if workers are busy with other activities.

Managing your accounts receivable is an important step in controlling your cash flow. You need a healthy stream of cash for your small business to succeed. The following tips can help you accelerate the flow:

- Establish sound credit practices. Never give credit until you are comfortable with a customer's ability to pay. You can get a credit report on the farmer and incorporated farm (LLC) to determine their financial health.
- Offer discounts for prompt payment. Give customers an incentive to pay sooner. Typical small business discounts typically amount to 1 to 2 percent if the bill is paid within ten days, but farmers are used to 5% or more for seed or fertilizer prepayment.
- Aggressively follow up on past due accounts. Call the customer as soon as a bill becomes past due and ask when payment can be expected. Keep a record of conversations and customer responses, and follow up. For customers with genuine financial problems, try to get even a small amount each milk check.
- Deposit payments promptly. Accelerate receipt of checks by using a bank lockbox.
- Negotiate better terms from suppliers and banks. Improving cash flows also includes money going out.
- Keep a tight control on inventory. Items sitting in inventory tie up money that be used elsewhere.
- Be sure that deep discounts on volumes pumped can be financially justified by the drain they will put on cash flow.
- Review and reduce expenses. Take a hard look at all expenses. What effect will an expense have on your bottom line? Pay bills on time, but not before they are due.
- Unless you receive enough trade discount incentive to pay early, don't rush to send payments.
- Be smart in designing your invoice. Make sure that the amount due, due date, discount for early payment, and penalty for late payment are clearly laid out.

For Columbia, Crawford, Dane, Grant, Green, Iowa, Jefferson, Kenosha, LaCrosse, Racine, Richland, Rock, Sauk and Vernon Counties and for Economic Injury Only the contiguous counties of Adams, Dodge, Green Lake, Jackson, Juneau, Lafayette, Marquette, Milwaukee, Monroe, Trempealeau, Walworth and Waukesha in the State of Wisconsin; contiguous counties of Boone, JoDaviess, Lake, McHenry, Stephenson and Winnebago in the State of Illinois; contiguous counties of Allamakee and Clayton in the State of Iowa; and contiguous counties of Dubuque, Houston and Winona in the State of Minnesota.

Result of damages caused by Severe Storms and Flooding
Occurred August 18, 2007 and continuing through August 31, 2007

Filing Deadline for applications for Physical Damage
to homes, personal property, businesses: October 25, 2007

Filing Deadline for applications for Economic Injury: May 26, 2008

Whether you rent or own your own home, own your own business, or own a small agricultural cooperative located in a declared disaster area, and are the victim of a disaster, you may be eligible for financial assistance from the U.S. Small Business Administration (SBA).

What Types of Disaster Loans are Available?

- **Home Disaster Loans** – Loans to homeowners or renters to repair or replace disaster damaged real estate or personal property owned by the victim. Renters are eligible for their personal property losses, including automobiles.

- **Business Physical Disaster Loans** – Loans to businesses to repair or replace disaster-damaged property owned by the business, including real estate, inventories, supplies, machinery and equipment. Businesses of any size are eligible. Non-profit organizations such as charities, churches, private universities, etc., are also eligible.

- **Economic Injury Disaster Loans (EIDL)** – Loans for working capital to small businesses and small agricultural cooperatives to assist them through the disaster recovery period. EIDL assistance is only available to applicants and their owners who cannot provide for their own recovery from non-government sources. Farmers, ranchers, nurseries, religious and nonprofit organizations are not eligible for an EIDL.

What are Mitigation Loans?
If your loan application is approved, you may be eligible for additional funds to cover the cost of improvements that will protect your property against future damage. Examples of improvements include retaining walls, seawalls, sump pumps, etc. Mitigation loan money would be in addition to the amount of the approved loan, but may not exceed 20 percent of the approved loan amount. It is not necessary for the description of improvements and cost estimates to be submitted with the application. SBA approval of the mitigating measures will be required before any loan increase.

What are the Credit Requirements?

- **Credit History** – Applicants must have a credit history acceptable to SBA.
- **Repayment** – Applicants must show the ability to repay all loans.
- **Collateral** – Collateral is required for physical loss loans over $10,000 and all EIDL loans over $5,000. SBA takes real estate as collateral when it is available. SBA will not decline a loan for lack of collateral, but requires you to pledge what is available.

What are the Interest Rates?
By law, the interest rates depend on whether each applicant has Credit Available Elsewhere. An applicant does not have Credit Available Elsewhere when SBA determines the applicant does not have sufficient funds or other resources, or the ability to borrow from non-government sources, to provide for its own disaster recovery. An applicant, which SBA determines to have the ability to provide for his or her own recovery is deemed to have Credit Available Elsewhere. Interest rates are fixed for the term of the loan, are determined by formulas set by law, and may vary from

<table>
<thead>
<tr>
<th></th>
<th>No Credit Available Elsewhere</th>
<th>Credit Available Elsewhere</th>
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<tr>
<td>Home Loans</td>
<td>3.125%</td>
<td>6.250%</td>
</tr>
<tr>
<td>Business Loans</td>
<td>4.000%</td>
<td>8.000%</td>
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<tr>
<td>Non-Profit Organizations</td>
<td>4.000%</td>
<td>5.250%</td>
</tr>
<tr>
<td>Economic Injury Loans</td>
<td>4.000%</td>
<td>N/A</td>
</tr>
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</table>
What are Loan Terms?
The maximum term is 30 years. However, the law restricts businesses with credit available elsewhere to a maximum 3-years term. SBA sets the installment payment amount and corresponding maturity based upon each borrower’s ability to repay.

What are the Loan Amount Limits?
- **Home Loans** – SBA regulations limit home loans to $200,000 for the repair or replacement of real estate and $40,000 to repair or replace personal property. Subject to these maximums, loan amounts cannot exceed the verified uninsured disaster loss.
- **Business Loans** – The law limits business loans to $1,500,000 for the repair or replacement of real estate, inventories, machinery, equipment and all other physical losses. Subject to this maximum, loan amounts cannot exceed the verified uninsured disaster loss.
- **Economic Injury Disaster Loans (EIDL)** – The law limits EIDL(s) to $1,500,000 for alleviating economic injury caused by the disaster. The actual amount of each loan is limited to the economic injury determined by program standards, less business interruption insurance and other recoveries up to the administrative lending limit. SBA also considers potential contributions that are available from the business and/or its owner(s) or affiliates.
- **Business Loan Ceiling** – The $1,500,000 statutory limit for business loans applies to the combination of physical and economic injury, and applies to all disaster loans to a business and its affiliates for each disaster. If a business is a major source of employment, SBA has the authority to waive the $1,500,000 statutory limit.

What Restrictions are there on Loan Eligibility?
- **Uninsured Losses** – Only uninsured or otherwise uncompensated disaster losses are eligible. Any insurance proceeds which are required to be applied against outstanding mortgages are not available to fund disaster repairs and do not reduce loan eligibility. However, any insurance proceeds voluntarily applied to any outstanding mortgages do reduce loan eligibility.
- **Ineligible Property** – Secondary homes, personal pleasure boats, airplanes, recreational vehicles and similar property are not eligible, unless used for business purposes. Property such as antiques and collections are eligible only to the extent of their functional value. Amounts for landscaping, swimming pools, etc., are limited.
- **Noncompliance** – Applicants who have not complied with the terms of previous SBA loans are not eligible. This includes borrowers who did not maintain flood and/or hazard insurance on previous SBA or Federally Insured loans.

Is There Help Available for Refinancing?
- SBA can refinance all or part of prior mortgages that are evidenced by a recorded lien, when the applicant (1) does not have credit available elsewhere, (2) has suffered substantial uncompensated disaster damage (40 percent or more of the value of the property), and (3) intends to repair the damage.
- **Homes** – Homeowners may be eligible for the refinancing of existing liens or mortgages on homes, in some cases up to the amount of the loan for real estate repair or replacement.
- **Businesses** – Business owners may be eligible for the refinancing of existing mortgages or liens on real estate, machinery and equipment, in some cases up to the amount of the loan for the repair or replacement of real estate, machinery, and equipment.

What if I Decide to Relocate?
You may use your SBA disaster loan to relocate. The amount of the relocation loan depends on whether you relocate voluntarily or involuntarily. If you are interested in relocation, an SBA representative can provide you with more details on your specific situation.

Are There Insurance Requirements for Loans?
To protect each borrower and the Agency, SBA may require you to obtain and maintain appropriate insurance. By law, borrowers whose damaged or collateral property is located in a special flood hazard area must purchase and maintain flood insurance for the full insurable value of the property for the life of the loan.

For More Information Contact:
SBA Disaster Assistance Customer Service Center
1-800-659-2955
http://www.sba.gov