

# LSU AgCenter Establishes Hotline For Farm Producers

**CROWLEY, LA.**

Increased input costs, tight profit margins and two major hurricanes created a difficult year for many of Louisiana's agricultural producers.

To help the state's farmers, the LSU AgCenter has established a farm financial hotline to help them make financial decisions, according to Dr. Kurt Guidry, an economist in the AgCenter's Department of Agricultural Economics and Agribusiness.

"Having two major hurricanes make landfall at harvest time has greatly impacted projected revenues for producers at a time in which increased input costs have left little margin for error," Guidry said. "For many producers, this combination of high production costs and hurricane-related shortfalls in revenue will likely create significant financial difficulties as they begin to close out their 2008 production and begin to focus on 2009."

The recent downturn in commodity prices has unfortunately created a less-than-optimistic picture for these producers, Guidry said.

"Among other factors, growing concerns over the potential for a domestic and international economic downturn has resulted in sharply lower commodity prices," he said. "Despite a downturn in fuel and fertilizer prices, current projections for profitability for many of the state's agricultural commodities appear to be very marginal and certainly not to the level that would suggest excess capacity to compensate for 2008 shortfalls."

The LSU AgCenter economist said producers looking for financial management and disaster assistance information or who want individual farm financial consultation can telephone 225-578-2266.

Located in the LSU AgCenter's Department of

Agricultural Economics and Agribusiness, the hotline will be in operation from 8:00 a.m. to 4:30 p.m. Monday through Friday.

Guidry said producers will be able to get information on current U.S. Department of Agriculture assistance programs as well as other farm management and marketing information. In addition, they may call the hotline to request an individual farm financial consultation.

Producers looking for an individual farm financial consultation will be connected with an LSU AgCenter agricultural economist to schedule an individual session.

"LSU AgCenter economists will work with the producer in developing crop budgets as well as whole-farm cash flow statements for the 2009 crop year," Guidry said. "In addition, assistance will be given to help producers examine alternative crop enterprise selection mixes as well as examine alternative financing strategies that might be available."

To get a relevant and meaningful farm financial plan, Guidry said, producers are requested to provide the following information regarding their operation:

- A minimum of one year's production cost records (preferably two to three years')
- A five-year yield history
- USDA base program acres and payment yields (by farm number)
- A list of all nonsecured debts, including current balances (including items such as fuel bills, fertilizer bills, etc.)
- A list of all intermediate and long-term loans, including payment levels and dates and current loan balances
- Remaining balances on any 2008 crop production (operating) loans
- List of any additional 2008 expected revenues.

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