

Keeping Landscapes

A Newsletter for Managers of Bay Area Rangelands

Spring, 2021

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Article: Managing Through This Drought



By Sheila Barry

Current Conditions

Alameda, Contra Costa, and San Mateo Counties' rangelands are currently in extreme drought while Santa Clara is in severe drought, according to the US Drought Monitor, <https://droughtmonitor.unl.edu/CurrentMap/StateDroughtMonitor.aspx?CA>.

Ranchers are encouraged to report current conditions to update the U.S. Drought Monitor. To share

information on conditions or impacts due to drought, please visit the National Drought Mitigation Center's website, <https://droughtreporter.unl.edu/map/>, select the "Submit a Report" tab. From this page you can view and submit the conditions that you would like to report. The USDA uses the drought monitor to trigger disaster declarations and eligibility for low-interest loans. The Farm Service Agency uses it to help determine eligibility for their Livestock Forage Program, and the Internal Revenue Service uses it for tax deferral on forced livestock sales due to drought.

The current lack of forage, livestock water and escalating feed costs leaves ranchers with few options to sustain their cattle operation. There is value to keeping a core herd (genetics, disease immunity--foothill and anaplaz), and the cattle's knowledge of range they graze. All these attributes have real costs when rebuilding a herd. But how many cows can you keep? Calves selling at \$1.80/lb right now does not mean higher prices in the future. Conservatively budget for calf prices and feed costs. As herd numbers are reduced, consider how fixed costs will be covered. There may be some equity from additional cow sales to cover costs.

In many places in the Bay Area only 10 to 20% of winter and spring feed was available this year, which means there is little left for summer or to come back to in the fall. Here are some possible actions to take based on current feed resources, needed supplementation, and financial resources.

1. Early Weaning

Consider early weaning of calves. This will save the cow's body condition and will reduce feed consumption. Both have long term savings. Lactating cows demand an increase their protein requirement by 100% and energy by 60%. Most producers will be weaning 30 to 90 days early. At recent sales, calves with two rounds of shots are selling for \$20 - \$30/cwt more than calves with one shot. Ideally the second round of shots is given 3 to 4 weeks before weaning or shipping.

2. Sell cattle that will have delayed income

Replacement heifers and open cows will use feed without producing any income through the next year. Selling animals that are not currently producing can provide revenue.

3. Sell cattle that have a higher feed cost to maintain body condition

Cull low body condition score and broken mouth cows. With additional drought feed costs, these cattle will require better nutrition to breed and lactate for a calf. Also, by keeping younger cows, there is a longer lifespan to recoup the additional feed costs.

For more information on culling during drought see Drought Tip:

[ANR Publication 8555](#)

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ANR Publication 8555 | December 2015
<http://anrcatalog.ucanr.edu>

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DROUGHT TIP
Drought Strategies for Beef Cattle Culling
Managing livestock during drought usually combines supplemental feeding and culling. Removing animals from the herd is the most direct method of reducing forage consumption on drought-stricken rangeland. Strategic culling requires the ability to navigate the current year's challenges while considering the necessity to rebuild cattle numbers in the future. Culling and selling cattle will reduce forage consumption to better match range production.
Culling cattle is a primary method of dealing with drought because it reduces the consumption of limited forage (Fig. 1). When making culling decisions, it is important to analyze all the production phases of a cow-calf operation. It is likely that a culling strategy will incorporate calves, replacement heifers, cows, and bulls.
The primary objective in culling cattle is to preserve body condition score (>4) in the herd with the lowest input costs possible. Overstocking rangeland during drought years can result in rangeland degradation, potentially lengthening the recovery period after the drought breaks. Timely reduction of herd numbers should reduce the amount of supplemental feeding necessary to maintain the body condition of the remaining animals in the herd.

Figure 1. Culling cattle is one of the primary methods for managing drought. Photo: J.S. Davy

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Tax Implications

Sales of animals due to drought can create large tax liabilities. Postponing capital gains for certain classes of livestock sold due to drought is provided by federal tax code [26 U.S.C. § 1033\(e\)](#), which states that "the sale or exchange of livestock held by a taxpayer for draft, breeding, or dairy purposes in excess of the number the taxpayer would sell if he followed his usual business practices shall be treated as an involuntary conversion to which this section applies if such livestock are sold or exchanged by the

taxpayer solely on account of drought, flood, or other weather-related conditions.”

IRS [Notice 2020-74](#) provides guidance on [26 U.S.C. § 1033\(e\)](#) and is explained here: <https://www.irs.gov/newsroom/irs-drought-stricken-farmers-ranchers-have-more-time-to-replace-livestock>.

The USDA designated Bay Area counties (Alameda, Contra Costa, San Mateo, Santa Clara) along with 46 other California counties as primary natural disaster areas due to drought on March 5, 2021.

Dealing with lack of feed

While purchasing and feeding hay to supplement cattle on range may be an option, there are other actions to consider that may be more economical.

Additional grazing pasture. Availability of additional grazing pastures will be limited locally. Although trucking outside the drought area has transportation costs and requires care at the new location, it could be cheaper than feeding on your ranch.

Dry lot feeding. Feeding of cattle requires facilities, equipment and feed. Placing breeding cattle in a feedlot may be an option.

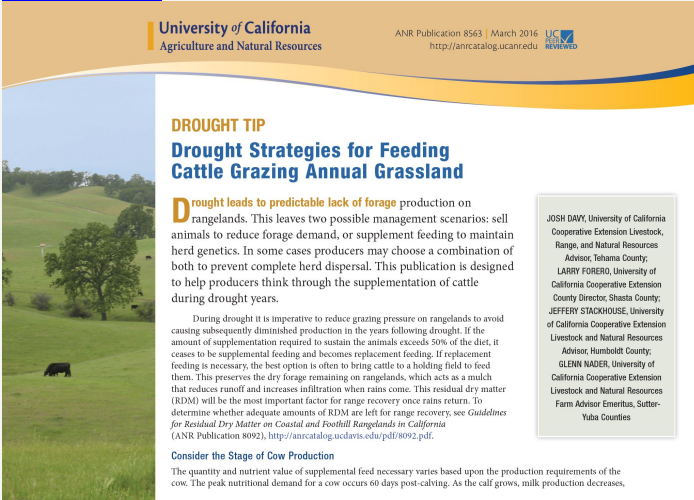
Alternative feeds

Feed prices are rapidly escalating, and feeding through a drought may not be financially viable. However, supplemental feed can offset reduced forage production and support the use of lower quality feed.

- Almond hulls are similar to grass or grain hay as a source of energy but they are low in protein (3% crude protein).
- Byproducts including brewers grain or culled vegetables may be locally available. High moisture by-products can be challenging to transport, store and feed. Cattle should be transitioned slowly to new feed to allow the rumen time to adjust.
- Liquid supplements can provide either protein or energy and may be used to support consumption of low-quality dry forage.

For more information about feeding during drought see Drought Tips:

[ANR Pub 8563](#)



University of California
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ANR Publication 8563 | March 2016
<http://anrcatalog.ucanr.edu>

DROUGHT TIP
Drought Strategies for Feeding Cattle Grazing Annual Grassland

Drought leads to predictable lack of forage production on rangelands. This leaves two possible management scenarios: sell animals to reduce forage demand, or supplement feeding to maintain herd genetics. In some cases producers may choose a combination of both to prevent complete herd dispersal. This publication is designed to help producers think through the supplementation of cattle during drought years.

During drought it is imperative to reduce grazing pressure on rangelands to avoid causing subsequently diminished production in the years following drought. If the amount of supplementation required to sustain the animals exceeds 50% of the diet, it comes to be supplemental feeding and becomes replacement feeding. If replacement feeding is necessary, the best option is often to bring cattle to a holding field to feed them. This preserves the dry forage remaining on rangelands, which acts as a mulch that reduces runoff and increases infiltration when rains come. This residual dry matter (RDM) will be the most important factor for range recovery once rains return. To determine whether adequate amounts of RDM are left for range recovery, see *Guidelines for Residual Dry Matter on Coastal and Foothill Rangelands in California* (ANR Publication 8092), <http://anrcatalog.ucanr.edu/pdf/8092.pdf>.

Consider the Stage of Cow Production

The quantity and nutrient value of supplemental feed necessary varies based upon the production requirements of the cow. The peak nutritional demand for a cow occurs 60 days post-calving. As the calf grows, milk production decreases,

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[ANR Pub 8565](#)



DROUGHT TIP

Supplemental Feeds for Cattle Operations during Drought

One of the advantages of cattle production in California is the diversity of feeds available in times of need to supplement rangeland that is normally used for cattle. In most cases, supplementing with alfalfa or a combination of alfalfa and small grain hay is the easiest method to meet protein, energy, and calcium requirements when rangeland nutrients are depleted due to drought. When the market prices of these traditional hay supplements become high, it becomes necessary to consider alternative feed sources. These alternative supplemental forages include high-nutrient concentrates and fiber-based roughages, making it possible to form a complete ration to satisfy the nutrient and dry matter intake requirements of cattle.

The prices of these feeds vary, so check the costs each time a supplemental ration is being formulated. It is likely that the same supplemental ration will not be used two years in a row. A ration balancing program such as Taurus, offered by the University of California, Davis, Department of Animal Science (see <http://animalscience.ucdavis.edu/extension/Software/>), is a great tool for developing the lowest-cost supplement that meets the nutrient requirements of the particular class of cattle being supplemented.

All supplemental feeds have advantages and disadvantages. Before feeding, contact your local UCCE Farm Advisor or other cattle producers, including dairymen, who have likely tried many of the local by-product feeds.

Careful control of diets and feed management practices will be required, as the following aspects of supplemental feeds may affect animal performance:

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Post Drought

Ranchers know that if pairs are sold at \$1,600 they may be forced to buy back in at the \$3,000/pair when the drought ends to prevent paying capital gains taxes. This will require either: having other equity to reinvest, getting a loan, or building back slowly.

This newsletter is provided by the UC Cooperative Extension Natural Resources Program in the San Francisco Bay Area and provides information to managers of both public and private rangelands. RANGELAND, which is land characterized by natural vegetation i.e., grass, forbs and shrubs and managed as a natural ecosystem, is the predominate source of OPEN SPACE in the San Francisco Bay Area.

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Our mailing address is:

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