



## Fremont County ranch owners use VI-PRF pilot insurance to manage risk – part II

By James Sedman and John Hewlett

In a previous article, we looked at how Bob and Betsy Zomer, owners of the Z-F Ranch in Fremont County, could utilize Vegetative Index-Pasture, Rangeland, Forage insurance (VI-PRF) for risk management planning.

VI-PRF insures against loss on pasture and hay land by using a vegetative greenness index developed from USGS data for approximately 4.8-by-4.8 mile (or 23-square mile) grids. The Zomers were concerned about how they could address the worsening drought in their planning for pasture and supplemental feed needs. The Zomers are most concerned with drought affecting spring and summer pastures, along with their hay production.

After researching VI-PRF insurance further, they chose to purchase it along with an additional

200 tons of hay as a risk management strategy. They selected VI-PRF insurance: insuring 3,500 acres for April 1 to June 30, 5,500 acres from July 1 to September 30, and 200 acres of hay land from June 1 to August 30. The use of VI-PRF insurance qualified the insured acres for disaster assistance programs in case of a disaster declaration. As feared, the drought worsened and brought a very dry spring and summer, ultimately resulting in a disaster declaration for Fremont County.

### VI-PRF Results

The table below shows the result of using the VI-PRF insurance for drought protection. The Zomers did not receive any indemnity payments for their spring interval but received indemnities totaling \$35,805 for acres insured through the summer months and \$11,454 for their hay land acreage. Their total insurance premiums



### For More Information

To learn more about Vegetative Index-Pasture, Rangeland, Forage insurance and how it can work in your operation, visit [InsuringSuccess.org](http://InsuringSuccess.org) and access the interactive PRF course under Online Courses.

For information on individual crop insurance policies or disaster aid programs, visit the Western Risk Management Library online at [agecon.uwyo.edu/riskmgt](http://agecon.uwyo.edu/riskmgt) or contact a local crop insurance or Farm Service Agency representative.

were \$6,000; adding this to their \$20,000 hay purchase results in a total cost of the risk management strategy of \$26,000. This total is then subtracted from their total indemnity payments resulting in a net gain of \$21,259

### Evaluation of Strategy

Bob and Betsy always evaluate results of their strategy before looking to the next year. In discussing ways to make their risk management plan more effective with their local FSA office, it was suggested they consider using NAP (Non-insured Disaster Program) coverage in addition to their VI-PRF policy. NAP coverage is low cost and would have provided an additional drought payment. NAP coverage also would apply to all of their acreage with the further benefit of making all their acreage eligible for disaster assistance (as compared to only the acres insured under VI-PRF).

NAP provides protection against losses of 50 percent or greater of total production and is limited to a total payment of \$100,000.

Next, we will examine the potential disaster program payments following the Zomer's risk management strategy and consider how NAP coverage could affect their situation.

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### Z-F Ranch VI-PRF Policy Results

Interval	Acreage	Coverage/acre	Producer premium/acre	Indemnity/acre	Total indemnity	Total cost/acre
April 1 to June 30	3,500	\$8.15	\$0.28	\$0.00	\$0.00	\$980
July 1 to September 30	5,500	\$8.15	\$0.58	\$6.51	\$35,805	\$3,190
Hay-June 1 to August 30	200	\$215.76	\$9.15	\$57.27	\$11,454	\$1,830
				Total	\$47,259	\$6,000

## Powell R & E Center offers spring wheat variety results

Spring wheat variety performance evaluations are available from the Wyoming Agricultural Experiment Station.

The trial is at the University of Wyoming Powell Research and Extension Center. In cooperation with the Uniform Hard Red Spring Wheat Nursery, university breeding programs and private seed companies, a wide range of germplasm is evaluated each year.

A summary of some of the commercially available varieties tested in the last six years are presented in the chart at right. The site is furrow irrigated. Data collected include yield, test weight, height, heading date and protein.

Complete trial results and materials and methods by year are posted at [www.uwyo.edu/UWPLANT/key.htm](http://www.uwyo.edu/UWPLANT/key.htm). For more information, contact farm manager Mike Killen at (307) 754-2223 or [mkillen@uwyo.edu](mailto:mkillen@uwyo.edu).



### 2005-2010 Spring Wheat Variety Performance, Powell, Wyoming

Variety	Origin	2010	2010	2010	2005-2010	2005-2010	Years Tested
		Yield	Test wt	Protein	Yield	Test wt	
		Bu/acre	Lbs/bu	%	Bu/acre	Lbs/bu	
Volt	Westbred	133	63	11.3	133	63.0	1
Kuntz	AgriPro	122	61.7	11.1	122	61.7	1
Fuzion	Westbred	119	62.1	12.3	119	62.1	1
Hank	Westbred	127	58	11.6	116	59.7	6
Alzada durum	Westbred	118	61.5	10.1	115	61.2	6
Brennan	AgriPro	115	62.7	11.7	115	62.7	1
Jedd CL	Westbred	114	60.9	12.2	114	60.9	1
Choteau	MSU	111	61.5	11.9	113	60.7	6
WB 936	Westbred	111	59.2	11.7	112	60.3	6
Express	Westbred				111	60.8	4
Verde	UM				111	60.6	5
Vida	MSU	110	59.9	12.1	110	59.9	1
McNeal	MSU	114	60.1	11.3	104	60.2	6
Outlook	MSU				103	59.6	5
Reeder	NDSU				103	61.0	5
Granite	Westbred				99	63	5
Keene	NDSU				89	61.3	5
<b>Trial mean</b>		<b>112</b>	<b>61.4</b>	<b>11.6</b>	<b>104</b>	<b>61.0</b>	<b>6</b>