



November 2018 Newsletter

Current Reminders

- Please contact your agent to get a copy of your trigger yield report to see if the lower harvest prices cause you to be owed an indemnity.
- A SIMPLE RECOMMENDATION ON GRAIN QUALITY: If you have vomitoxin or suspect you have quality issues with farm stored grain, call your agent right away.
- The end of the insurance period is December 10th for corn and soybeans. Any crops in the field after the 10th will be appraised. All claims must be reported to the insurance company no later than 15 days after completion of harvest or December 25th; whichever comes first.
- Planted wheat can be reported to crop insurance and FSA anytime now. Feel free to call us and make an appointment on a rainy day.
- Bushels reported to crop insurance should match the bushels reported at FSA for the MFP program. **Please report bushels to your crop agent as soon as you complete harvest.** We can then print/email a copy of your production report for to have with you when you report production for the MFP program.

Approaching Deadlines

Harvest price established for corn, beans	10/1-10/31
Wheat production reporting deadline	11/14/18
Corn and beans end of insurance period	12/10/18
Wheat acreage reporting deadline	12/15/18
Deadline at FSA to file for MFP applications	1/15/19

Harvest Prices Finalized

- Harvest prices were finalized this week for Ohio at **\$3.68** for corn and **\$8.60** for soybeans. To learn more about how this affects the trigger yield on your policy, please see the article and example on page 2 of this newsletter.

2018 Harvest Prices

	Corn	Beans
Insurance Spring Price	\$3.96	\$10.16
RP Crop Ins. Harvest Prices	<u>\$3.68</u>	<u>\$8.60</u>
Difference	-\$0.28 (7.1%)	-\$1.56 (-15.4%)

- Claim filing deadlines need to be adhered to so please reach out if you need to. We absolutely want anybody who purchased a policy and is owed an indemnity to be properly taken care of.

Rain, Rain Go Away!

The rain came down in buckets on November 1st. Everyone knows that. If you want to

know how much rain and have no other resources to use, here is a link to NOAA resources online:

<https://water.weather.gov/precip/>. It is free!

According to Columbus news sources, this was a record breaking rain event. It likely was not the only recording breaking location, but the airport in Columbus, OH recorded 1.8". This beat the previous rainfall record for November 1st of 1.45".

Calculating Your New Trigger Yield

Revenue crop insurance policies have both yield and revenue coverage until harvest prices are finalized in the month of October each year. Harvest prices for both corn and beans were lower than the initial Spring prices of \$3.96 for corn and \$10.16 for beans. Your trigger yield is the amount of bushel it takes for you to reach your crop insurance guaranteed bushels. If you produced less than your trigger yield (depending on unit structure), a claim should be filed and an adjuster can work the claim. If you have on-farm storage and your estimated production is very close to your trigger yield, a claim should be filed as well. An adjuster will measure your bins and make the final determination as to whether an indemnity is owed or not. If it is close, we want to error on the side of caution in this type of situation and get the claim filed.

Each bushel you produced is worth less now than what it was insured for in the Spring. Because of these lower harvest prices, your trigger yield has increased by a factor.

<u>Trigger Yield Factors</u>	
<i>(rounded to 3 decimals)</i>	
Corn	1.076
Soybeans	1.181

The easiest way to calculate your new trigger yield is to take your production guarantee, which can be found in the production guarantee column off of your summary of coverage, multiplied by the correct factor. Here is a soybean example:

2018 REVENUE PROTECTION SUMMARY OF INFORMATION																
Line#	Crop	Farm Unit	Farm Number	Interest	County	Legal Description	Approved Yield	Acre Coverage	Acres	Plant Date	Revenue Guarantee	Production Guarantee	Price *	Liability	Risk Area	Premium
16.0	SOYBEANS															
YLD#	NFAC-NIRR	EU	2.00		1.000	RICHLAND		\$475.49	86.7	05/26/2018	\$41,224.81	4,057.56	10.16	\$41,225		1,670
38.0	COMM		(4.03)													
Other Persons Sharing in Crop:										Unit Description: [REDACTED]						
Remarks: Options: PFTA																
14.0	SOYBEANS															
YLD#	NFAC-NIRR	EU	2.00		1.000	RICHLAND		\$483.62	157.7	05/05/2018	\$76,266.24	7,506.52	10.16	\$76,266		2,852
50.0	COMM		(4.20)													
Other Persons Sharing in Crop:										Unit Description: [REDACTED]						
Remarks: Options: PFTA																

Production Guarantee (bu)	X	Factor	=	New Trigger Yield
4,057.56	x	1.181	=	4,791.98
7,506.52	x	1.181	=	<u>8,865.20</u>
Enterprise Unit Total New Trigger				13,657.18

In this example both soybean line items need summed together because they are all part of one enterprise unit.

If less than 13,657.18 bushels were harvested off of these 2 farms (summed together), than a claim needs filed to pursue whether or not an indemnity is owed.