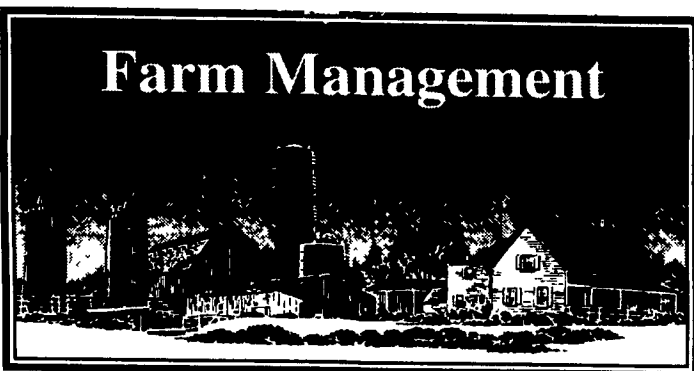


# Farm Management



**JOHN BERRY**  
Lehigh Co. Extension  
Ag Marketing

The Income Protection (IP) crop insurance program is designed to insure the producer against reductions in gross income from insurable reductions in yield or price. This policy pays when the harvested and appraised production, multiplied by the harvest

price, are below the IP guarantee. IP projected prices are based on the average of the daily futures market closing prices for the insured crop during the month of February. IP uses the county yield index to adjust IP premium rates. The insurance is provided for an "Enterprise unit" that includes all acreage of the insured crop in the county in which the insured has an

interest. IP forms a straightforward product for the protection of a percentage of revenue.

IP is only available for corn in Pennsylvania.

### How IP Works?

The IP dollar guarantee per acre is calculated by multiplying the approved APH yield times the Projected Price times the selected coverage level. The approved APH yield is calculated at the enterprise level (all acreage of the crop in the county). The Projected Price is determined from the commodity futures market contract prior to planting (as defined in the insurance policy). Coverage levels range between 50 and 75 percent for the IP policy. Producers may elect the catastrophic protection level and pay only the \$60 administrative fee. No premium is due for the catastrophic protection level. For the 1999 and subsequent crop years, catastrophic risk protection equals 27 1/2 percent of the approved yield times 100 percent of the Projected Price.

An insured's total guaranteed dollar amount of protection is the net acres of the insured crop (acres times share) in the county multiplied by the IP dollar guarantee per acre. Indemnities are due when the insured's share of production to count (harvested and appraised yields) multiplied by the Harvest Price (as defined in the insurance policy) is less than the IP guarantee. If the yield loss is offset by a price increase, or vice versa, no indemnity payment is paid.

### IP Projected and Harvest Prices

#### Example 1.

Harvest Price ends up higher than the Projected Price — With a 57 Percent Production Loss.

Approved APH yield = 70 bushels per acre  
Coverage Level = 65%  
Projected Price = \$2.20 per bushel  
Harvest Price = \$3 per bushel  
Actual Production = 30 bushels per acre  
Crop Value = Production to Count (times) Harvest Price - \$90  
Revenue Guarantee = Approved APH yield (times) Coverage Level (times) Projected Price  
IP Indemnity (return to crop insurance coverage) = Revenue Guarantee - Crop Value \$100.10-\$90 = \$10.10

In example 1, the large yield loss is partially offset by the increased price at harvest. The resulting crop value of \$90 is still less than the Revenue Guarantee by \$10.10, so an indemnity payment is made to the producer.

#### Example 2.

Harvest Price ends up lower than Projected Price - With a 34% Production Loss  
Approved APH yield = 70 bushels per acre  
Coverage Level = 65%  
Projected Price = \$2.20 per bushel  
Harvest Price = \$1.35 per bushel  
Actual Production = 46 bushels per acre  
Crop Value = Production to Count (times) Harvest Price = \$62.10  
Revenue Guarantee = Approved APH yield (times) Coverage Level (times) Projected Price  
IP Indemnity (return to crop insurance coverage) = Revenue Guarantee - Crop Value \$100.10 - \$62.10 = \$38

In example 2, a large drop in price combines with a small production loss to produce a calculated crop value of \$62.10 and an IP indemnity payment of \$38 per acre.

Excluded Events  
Exclusions are the same as the MPCI policy. Additionally, coverage is not available for high-risk land.

Rating and Producer Subsidy  
The rating method for Income Protection reflects historic yield variation and variation in gross income due to yield and price movements during the crop year. The rating model includes the correlation of national prices and county yields. Income Protection premium rates are based upon the individual yield data reported, the relationship of each of those yields to the county average for that year, and the Projected Price level.

Since the subsidy is based on the value of the 50 percent Income Protection premium, individual premium subsidies may be more or less than would be paid for MPCI. On the average, the premium subsidy is expected to be about the same as for MPCI.

Important Facts  
The IP plan guarantees revenues, as opposed to the yields backed by the CAT and MPCI. However, IP contains no feature for increasing revenue coverage if prices increase, or provisions for basic or optional units.

Where to purchase insurance?  
This summary is for illustrative purposes only. Federally subsidized crop insurance policies are available from private insurance agents. A list of crop insurance agents is available at your USDA - FSA county office or by contacting John Berry at 610-391-9840.



Jennifer McWilliams, right, SUN Area dairy princess, gives the fourth grade students a tour of the milkhouse on the dairy farm tour.

## Sun Area Dairy Princess Joins West Snyder Food For America Program

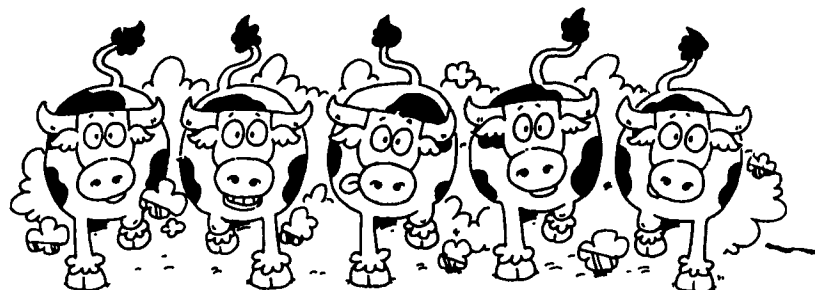
BEAVER SPRINGS (Snyder Co.)—In November, Jennifer McWilliams, SUN Area dairy princess, joined with the West Snyder FFA Chapter to present a Food For America program at Beaver Adams and West Beaver elementary schools.

The purpose of the program is to educate fourth grade students about the source of food in America. McWilliams, along with SUN Area Alternate Dairy Princess Sandy Opdyke, spent time explaining to the fourth grade students about how milk gets from the cow to the grocery store.

Various dairy products were also discussed with the students. Following the class-

room presentation, all fourth grade students toured the dairy farm of Lester and Barb McWilliams in Beavertown.

Other West Snyder FFA members who participated in the program included Brandon Herman, Heather Hollenbach, Doug Hollenbach, Hannah Etzler, and Derek Fetterolf. These FFA members presented information on sheep, poultry, pigs, dairy foods, and beef. They also developed and played the "Wheel of Food" game with the elementary students. "Wheel of Food" is a game based on the TV game show "Wheel of Fortune," where all the questions are on the topic of the students' food.



BUY SELL TRADE OR RENT THROUGH THE

# CLASSIFIED ADS

PHONE: 717-626-1164 or 717-394-3047  
FAX 717-733-6058  
Mon., Tues., Wed., Fri. 8 AM to 5 PM; Thurs. 7 AM to 5 PM

### FARM EQUIPMENT

25000 KW Pincor, PTO generator. NH 28 forage blower w/gandy \$1,000. JD 4020 diesel power shift tires. \$8,000. Belting wheels \$1,200. Lancaster Co. 717-738-3104. Call evenings 9:00'clock.

Loader w/forks, 2 bkts off of 100hp tractor. F 2 L 5 1 1 D e u t z . 717-687-8266 8-8:30am

MH Pony Tractor w/ Hand Operated Cultivators, Exc Cond & Running. Call After 6:00 PM 410-535-2419

Papec forage harvester, hay pickup, 2RN corn head, field ready, \$975 OBO. 717-328-9220.

Case IH 3594 MFWD, 24-spd power shift, 182hp, cab, 4900 hrs, duals, \$17,500. 717/336-7375.

8 1/2' Lucknow snowblower w/truck spout, \$2500 OBO. 717/872-1654.

MF 2705, 120hp, factory cab, 3200 original hrs, top link, 540/1000 PTO, 24sp, power shift, \$7200. Del. avail. 717-534-1253

NI 6280 grasshead, 7' w/guide sheels, \$2000. NH 273 baler w/thrasher, \$1800. JD 16A flail chopper, \$1000. 4R McConnell cultivator, \$1800. AC 60 combine w/bin & PTO, \$500. All good shape. 570-744-2081

Shaver post drivers, 3pt hitch complete, HC10 \$2150, HC8 \$1350. We can deliver anywhere. Taneytown Farm Eq. 410/751-1500.

7040 AC tractor, power shift, AC, cab, new 20.8x38 tires, axle mount duals avail, v.g. cond. \$11,500. 717-866-7822 No Sunday calls

Generator: Cummins Onan 30KW dsl. genset, like new 156 hrs, all safety switches, block heater, battery charger, 250gal fuel tank included, \$5,395. 570-864-2558.

Spade Plow, Imants, 4' w/harrow, good shape, 1-800-886-0272.

FORKS: 80 pairs of forks, all sizes. \$100/UP per pair. 410-335-4700

Kelly 30 backhoe attachment, 3pth, \$2,500 OBO. JD F910 frt mount mower, Onan eng, 20hp, 52" cut \$2,500 OBO. Call Tony, Delaware Co 610-459-2944.

Heavy duty loader off of Deutz tractor, \$1400. F2L912 Deutz rebuilt, \$2200. 717-687-8266 8-8:30am

Clay manger ranger electric feed cart, very good cond., Oliver #546 semi mfd. plow 4 - 16" (570)494-1571.

NH 791 Spreader, Like New \$6,000; MF 65 Tractor, 52HP, Gas, w/Multi Power, New Eng \$4,000 717-367-0349

Deutz Allis SM70RC dis-cbine, 10.5' cut, good cond, \$2500 now, or buy at MM Weaver's auction 3/20. 717-548-4144

JD 4050 1989 18.4x38 Tires, 4-Post Quad 5100 HR, Sharp Tractor; JD 90 Skid Steer, New Engine & Tires, 2 Yrs Reconditioned; NI 324 Tandem Axle Spreader Hyd End Gate Completely Reconditioned, Hyd. Cyl., Good Condition. 717-463-2394

Farm 501 3pt hitch log wench, new cond. \$3500 neg. 570-675-1437

Case grain drill, 10'DD, v.good working cond. \$1050. 610-932-0759

Kubota tractor wanted; L2850, L3300 or L3410 GST/HST.410/429-4509.

JD 2350 diesel, 55HP PTO, 3pth, 2 post canopy, exc, \$10,850. 856-769-3183.

IH 3088, 2400 hrs, 4-post, orig Goodyear radials, shed kept, like new, \$14,500; Artsway 475 grinder w/scale \$2000. 610/767-1477.

1973 cab over IH tandem axle tractor w/wetline & 34' flatbed, \$3000. 717-534-1253

Farmall A tractor, 6' Woods belly mower, front end loader. 610-367-0966.

IHD 361 engine out of 806, new rings, bearings, valve job, \$2200; AC 2900 engine, \$1500 can hear run. 302/492-1186.

Skid Mount Sprayer for PU 300 Gal Tank, Scot Pump w/Honda Motor, 40' Boom w/ Foam Marker \$1,000 610-593-6094

White 2-105, enclosed cab, 2853 hrs, \$12,000 obo. Farmhand 6650 tub grinder, good cond, \$8500 obo. 814-259-3997

12' Oliver 2 bottom plow with 14' bottom ex. cond. White Horse 2 way 14' plow, complete overhaul 1 yr. ago, new controls and bottoms, rebuilt frog, new wheels and paint, ex. cond. 814-349-5542 leave message.

WANTED TO BUY: Scrap metal. Highest price paid. 717-284-2800 Lancaster Co.

Brillon Seeder, 6'W double row iron rollers, \$1,550. MontCo 215-886-5000.

1 OR 2 row sweet corn or pumpkin planters w/ JD/Max-emerge units. Pequea Planter, 717-442-4406.

Hydraulic pumps for IH, Ford, MF. Also, available some power steering pumps for these tractors. Brand new! MC/Visa 717-530-9459 6pm-9pm

Ford 4600, 16.9 -24, new paint, Price \$6,000. Call 856-455-3462.

White 2-135 with cab, 18.4x38, 2 hyd., Price \$12,000. Call 856-455-3462.

Selling all equip. 890 NH harvester, McCormick hydraulic corn binder, 1100 gal. ELS manure spreader, U cultivator, grass mower combination. To name a few! John L. Fisher, 1353 Mountain Rd Manheim, PA 717-664-4857

IH 806 WF fender, 18.4x38 tires, 800-521-4336.

JD 175 loader, good, joy stick control. 717/445-6266.

Weaverline 424 stainless steel feed cart, very good cond, low hrs, \$2,500. 814-334-5452.

Farmall W9 parts. Berks Co. 717/445-6426.

CIH 5130 cab, 4WD, power shift, 4300 hrs, \$19,000. CIH 5130 2WD. 717-445-6720

AC D17 Gas, w/3-16" Plows, 10' Springtooth Harrow, 1957 Mdl, Good Cond & Running. 410-535-2419

Wilmar fertilizer spreader, 4 ton capacity, \$1500. 610/593-6097.