

SOUTHWEST AG INSURANCE NEWSLETTER

FEBRUARY 2017

“ And on the 8th Day, God looked down at his planned paradise and said I need a caretaker.

So God made a Farmer.”

-Paul Harvey



APPROACHING DEADLINE

March 15th is the Sales Closing Date for all spring crops: Corn, Grain Sorghum, Soybeans, Sunflowers, etc. Any changes needed to be made to your policy will need to be done by March 15th.

- Are you wanting to make a change to your coverage levels for any of your spring crops?
- Are you needing to add a crop to your policy (such as soybeans)?
- Are you wanting to add or delete any coverage options?
- Have you made an entity change to your operation?
- Are you farming in a new county and needing a new policy?
- Are you wanting to transfer your policy from another Agency?
- Have you added land to your operation?

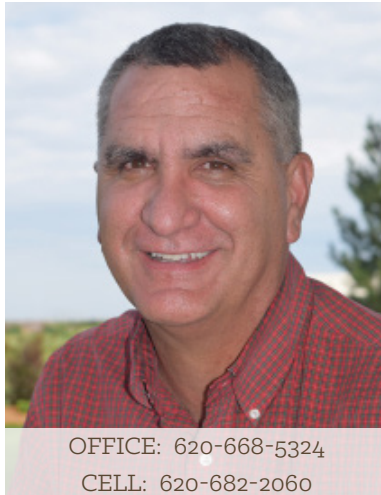
Call us today to schedule an appointment to review your policy before March 15th.

INSIDE THIS ISSUE

Closing Date Info	1
Gary's Section	2
Upcoming Deadlines	2-3
Megan's Greetings	3
2017 Quotes	4-5
Sprinkler Insurance	5
Accurate Acreage Reporting	6
Graze Out Wheat	6
Wheat Claims	7

GARY'S SECTION

As I begin to write this article it is early February and the weather outside is 68 degrees and sunny. It seems like we have had a mild winter with the exception of an ice storm in January which brought with it some desperately needed moisture. The condition of much of our winter wheat in southwest Kansas has been poor with many fields only showing signs of drill tracks with little to no visible crop. Recently though I am beginning to see signs of new growth.....and optimism for the prospect of having a crop. We can expect to have a few more cold spells but it does feel like spring is just around the corner!



our trade area. This means overall we should have total expense on crop insurance very close to last year.

A solid risk management plan will be crucial. We are currently meeting with producers to review coverage levels and options that best fit their operation to limit risk at a good value. Please give us a call to set up a time to meet or if you would like to review over the phone we can do that as well. Make sure to consider any new cropping plans you may have to make sure that is addressed. I know there is an intention for many producers to plant soybeans this year so let's talk to make sure

you have proper coverage in place. The deadline to make any additions or changes is March 15th.

As our farm economy continues to be depressed, I'm hopeful that this new season upon us brings with it new opportunity for farmers and those of us in the agriculture industry. Maybe timely spring rains, possibly a chance for higher grain prices, maybe new market options become available. I have always been impressed with the resilience and determination of producers and their ability to make it work.

We have some new private products available that will allow you to add additional protection... "on top" of what is available with multi-peril. These products such as "Add Price Option", "Added Revenue Price Option", and "Revenue Protection Policy" would have a fit in certain situations but in my opinion should be used only after all of the federally subsidized multi-peril options have been explored. We will gladly explain any of these you may have an interest in.

"HARDSHIPS OFTEN PREPARE ORDINARY PEOPLE FOR AN EXTRAORDINARY DESTINY..." - C.S LEWIS

We are currently in the price setting period for multi-peril, which generates our revenue guarantees for spring crops. At this time we are tracking above last year's prices with corn at \$3.96, milo at \$3.83, and soybeans at \$10.21. In 2016 the prices were \$3.86, \$3.72, and \$8.85 respectively. The full month of February is used to determine the price but for now the trend is heading us towards a higher "base price" on these crops for 2017. We will use estimated prices within this newsletter to provide you with cost estimates for multi-peril insurance coverage. Also, prices for stand-alone hail coverage is virtually unchanged in



UPCOMING DEADLINES

MILO DEADLINES

SALES CLOSING DATE	COUNTIES INCLUDED	EARLIEST PLANT DATE	FINAL PLANT DATE	LATE PLANT DATE (25 days after final plant date)	A/R DATE	END OF INSURANCE PERIOD
March 15, 2017	All Kansas counties	April 26, 2017	June 25, 2017	July 20, 2017	July 15, 2017	Dec. 10, 2017
	Caddo, OK	April 1, 2017	June 30, 2017	July 25, 2017		
	Beaver, OK	May 1, 2017				



UPCOMING DEADLINES CONTINUED

CORN DEADLINES

SALES CLOSING DATE	COUNTIES INCLUDED	EARLIEST PLANT DATE	FINAL PLANT DATE	LATE PLANT DATE <small>(20 days after final plant date)</small>	A/R DATE	END OF INSURANCE PERIOD		
March 15, 2017	Stevens, Seward, Meade, Gray, Ford, Haskell, Grant, Kearny, Finney, Pawnee, Hamilton, Riley	April 5, 2017	May 25, 2017	June 14, 2017	July 15, 2017	Dec. 10, 2017		
	Clark, Comanche, Kiowa, Pratt, Kingman, Stafford, McPherson, Saline, Harper, Franklin	April 1, 2017						
	Greeley	April 10, 2017						
	Sumner	March 20, 2017						
	Caddo	March 16, 2017					April 15, 2017	May 5, 2017
	Beaver						June 5, 2017	June 25, 2017

SOYBEANS DEADLINES

SALES CLOSING DATE	COUNTIES INCLUDED	EARLIEST PLANT DATE	FINAL PLANT DATE	LATE PLANT DATE <small>(25 days after final plant date)</small>	A/R DATE	END OF INSURANCE PERIOD
March 15, 2017	Stevens, Seward, Meade, Gray, Ford, Haskell, Grant, Clark, Comanche, Pratt, Finney	April 26, 2017	June 25, 2017	July 20, 2017	July 15, 2017	Dec. 10, 2017
	Kingman, Harper, Sumner	April 15, 2017				
	Caddo, OK	N/A				

MEGAN'S GREETINGS

Happy 2017 to all of you and I hope your New Year is off to a good start. Like many of you, we've spent the last few weeks going around to extension meetings, farmer meetings, insurance training, and other trainings to try and catch a break in the tough economic forecast for the upcoming year. I enjoy listening to the experts in the field of Agronomy and Economics, but also believe that each farm entity has to find a way to make their operation work for their own individual needs. If I've learned anything, I've learned that chemical recommendations, seed sales, field work management, and in our business—insurance—it is not a "one size fits all" operation. All of our farmers are special and we are here to find just the right fit for your operation and budget.

As Gary said, we are meeting with farmers through the month of February to review any policy changes that may be needed for 2017. We are not finding a lot of

changes out there for crop insurance, but are taking this chance to verify policies are up to our farmer's needs. The talk of planting soybeans have been a popular topic for this spring. Soybeans seemed to have been the money-making crop for 2016. If your farm is planting soybeans for the first time, a couple of things need to be considered:

- First, make sure it's listed as an insurable crop on your policy. If you've never planted soybeans, please don't assume it's already listed on your policy. It may be that you decided to remove soybeans from your policy years ago and have missed getting them back on your policy. We have been contacting many that we think may plant soybeans on their farm, but if you have any question on it, give us a call.
- Secondly, many of you have never planted an acre of soybeans on your farm in the past—therefore, you have not built up

your soybean APH history. If you are truly considered a new producer for that crop, you will be given the T-yield for your county (Gray Co-57bu, Haskell Co- 48bu, Meade Co-58 bu). Most of our farmer's coverage levels are set at 70 or 75% of that yield, so you are looking at having an insurance guarantee on 39bu (or less) of that crop. Make sure you have all of your input costs covered when penciling out a plan for the year. It may be beneficial to raise your soybean coverage up to a 75% or 80% coverage level. We'd be happy to show you a quote with any of these options to give you a better idea on your total dollar coverage and insurance premium.

As always, we have up until March 15th to make any of these changes. Please let us know if you have any questions or just want to verify what you have in place for insurance coverage. We enjoy meeting with you all and are here to help you with your upcoming crop year.



2016 QUOTES

IRRIGATED CORN | *PRICE: \$3.96

YIELD	COVERAGE LEVELS	PLAN	BUSHEL GUARANTEE	COVERAGE \$*	OU PREMIUM \$*	EU PREMIUM \$*
180	65	RP	117	463.32	7.37	2.35
180	70	RP	126	498.96	10.05	3.29
180	75	RP	135	534.60	14.56	5.44
180	80	RP	144	570.24	20.99	10.29
190	65	RP	123.5	489.06	7.63	2.43
190	70	RP	133	526.68	10.41	3.42
190	75	RP	142.5	564.30	15.11	5.65
190	80	RP	152	601.92	21.81	10.71
200	65	RP	130	514.80	7.85	2.51
200	70	RP	140	554.40	10.74	3.54
200	75	RP	150	594.00	15.61	5.85
200	80	RP	160	633.60	22.58	11.10
210	65	RP	136.5	540.54	8.10	2.59
210	70	RP	147	582.12	11.10	3.65
210	75	RP	157.5	623.70	16.15	6.06
210	80	RP	168	665.28	23.39	11.51
220	65	RP	143	566.28	8.35	2.67
220	70	RP	154	609.84	11.45	3.76
220	75	RP	165	653.40	16.69	6.27
220	80	RP	176	696.96	24.20	11.92

NON-IRRIGATED CORN | *PRICE: \$3.96

YIELD	COVERAGE LEVELS	PLAN	BUSHEL GUARANTEE	COVERAGE \$*	OU PREMIUM \$*	EU PREMIUM \$*
40	65	RP	26	102.96	8.16	2.41
40	70	RP	28	110.88	9.48	2.87
40	75	RP	30	118.80	11.97	4.07
40	80	RP	32	126.72	15.87	6.90
50	65	RP	32.5	128.70	9.07	2.68
50	70	RP	35	138.60	10.57	3.21
50	75	RP	37.5	148.50	13.35	4.56
50	80	RP	40	158.40	17.69	7.73
60	65	RP	39	154.44	9.91	2.92
60	70	RP	42	166.32	11.56	3.52
60	75	RP	45	178.20	14.62	5.01
60	80	RP	48	190.08	19.37	8.51
70	65	RP	45.5	180.18	11.41	3.36
70	70	RP	49	194.04	13.30	4.05
70	75	RP	52.5	207.90	16.83	5.78
70	80	RP	56	221.76	22.29	9.80

As always, it is too early in the base price setting period to anticipate the final price, so these coverage and premium quotes are for your reference only to indicate what to expect. We all know that this year the market prices have been completely unusual and unpredictable. Take these quotes for what they are worth, A SAMPLE for reference ONLY. Please call for a time to discuss your farm plans.

RP = Revenue Protection

OU = Optional Units

EU = Enterprise Units

***This is an estimated price. These coverage & premium quotes are for your reference only. Prices will be finalized February 28th.**

IRRIGATED SOYBEANS | *PRICE: \$10.21

YIELD	COVERAGE LEVELS	PLAN	BUSHEL GUARANTEE	COVERAGE \$*	OU PREMIUM \$*	EU PREMIUM \$*
50	65	RP	32.5	331.83	7.85	2.86
50	70	RP	35	357.35	10.32	3.93
50	75	RP	37.5	382.88	14.62	6.15
50	80	RP	40	408.40	21.46	11.34
60	65	RP	39	398.19	8.13	2.98
60	70	RP	42	428.82	10.71	4.10
60	75	RP	45	459.45	15.31	6.45
60	80	RP	48	490.08	22.52	11.92
70	65	RP	45.5	464.56	8.43	3.09
70	70	RP	49	500.29	11.12	4.27
70	75	RP	52.5	536.03	16.00	6.74
70	80	RP	56	571.76	23.59	12.53
80	65	RP	52	530.92	8.72	3.20
80	70	RP	56	571.76	11.54	4.44
80	75	RP	60	612.60	16.67	7.04
80	80	RP	64	653.44	24.66	13.16



IRRIGATED GRAIN SORGHUM

*PRICE: \$3.83

YIELD	COVERAGE LEVELS	PLAN	BUSHEL GUARANTEE	COVERAGE S*	OU PREMIUM S*	EU PREMIUM S*
100	65	RP	65	248.95	14.83	6.31
100	70	RP	70	268.10	17.84	7.61
100	75	RP	75	287.25	23.29	10.40
100	80	RP	80	306.40	31.76	17.07
110	65	RP	71.5	273.85	15.79	6.73
110	70	RP	77	294.91	19.02	8.12
110	75	RP	82.5	315.98	24.83	11.09
110	80	RP	88	337.04	33.86	18.21
120	65	RP	78	298.74	16.78	7.15
120	70	RP	84	321.72	20.23	8.64
120	75	RP	90	344.70	26.41	11.80
120	80	RP	96	367.68	36.02	19.39
130	65	RP	84.5	323.64	17.71	7.55
130	70	RP	91	348.53	21.36	9.13
130	75	RP	97.5	373.43	27.90	12.48
130	80	RP	104	398.32	38.05	20.51
140	65	RP	91	348.53	18.67	7.97
140	70	RP	98	375.34	22.53	9.63
140	75	RP	105	402.15	29.44	13.17
140	80	RP	112	428.96	40.15	21.65

NON-IRRIGATED GRAIN SORGHUM

*PRICE: \$3.83

YIELD	COVERAGE LEVELS	PLAN	BUSHEL GUARANTEE	COVERAGE S*	OU PREMIUM S*	EU PREMIUM S*
40	65	RP	26	99.58	9.73	4.13
40	70	RP	28	107.24	11.29	4.78
40	75	RP	30	114.90	14.26	6.33
40	80	RP	32	122.56	18.82	10.06
50	65	RP	32.5	124.48	11.16	4.74
50	70	RP	35	134.05	12.94	5.48
50	75	RP	37.5	143.63	16.36	7.27
50	80	RP	40	153.20	21.62	11.57
60	65	RP	39	149.37	12.52	5.32
60	70	RP	42	160.86	14.51	6.17
60	75	RP	45	172.35	18.37	8.17
60	80	RP	48	183.84	24.30	13.02
70	65	RP	45.5	174.27	13.83	5.89
70	70	RP	49	187.67	16.04	6.82
70	75	RP	52.5	201.08	20.30	9.04
70	80	RP	56	214.48	26.88	14.42

RP = Revenue Protection

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This is an estimated price. These coverage & premium quotes are for your reference only. Prices will be finalized February 28th.

SPRINKLER INSURANCE



We have a great replacement cost sprinkler coverage program at our office. As we see almost every year, thousands of dollars of sprinklers can be damaged in just a few moments. Our replacement cost sprinkler coverage is cost-efficient and will get you back up and running very quickly. The policy includes mechanical and electrical and will insure most sprinklers, regardless of how old they are. In this industry, most companies will not allow this type of replacement cost coverage after the sprinkler is 15-20 years old. Having to come up with a large sum of money to

replace a sprinkler after a storm can be heartbreaking and burdensome to any farming operation. Help put your mind at ease and come and talk with us about the coverage we can offer. We are very proud of this program and believe it is one of the best out there. Give us a call for a quick quote today!

For the producer who is interested in only insuring sprinklers for "actual cash value" we have a new program to do that as well. If this is something that would be of interest to you, give us a call and we can do a cost comparison/ risk analysis with you to see if this program would be a fit.



ACCURATE ACREAGE REPORTING

We will soon be mailing out Acre Reports to get acres and plant dates for spring crops—corn, milo, soybeans, etc. Please pay attention to each item/unit on your acre reports! The Insured is responsible for reporting ALL acres planted in the county which they have a share in for each crop listed on the policy. We see most issues arise when there has been added land to the farming operation or forgetting to report double cropped acres. **If you have added land, please let our office know so that we can set up a new unit for you before your acre report is mailed out. We will need to know the legal and crop-share on any added land.**

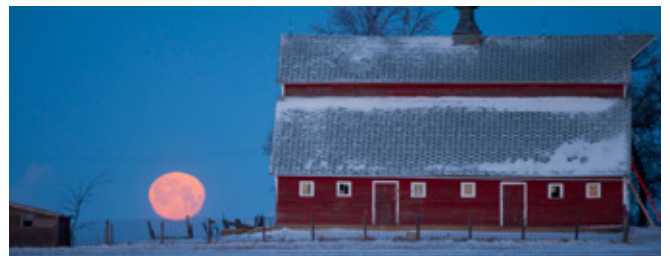
Crop Insurance is now required to get an FSA common land unit (CLU) on every planted field you are reporting. This CLU data is assigned by FSA using your Farm Number/Tract Number/Field Number. What this means is that our crop insurance data has to match what is reported at FSA for planted acres as well as the CLU that is assigned by FSA. It is best if you can provide our office with a copy of your FSA 578 after you have certified or most of the local FSA offices can e-mail us a copy of your 578 if you ask them to. As always, if you have questions on your acre report, come and see us. We'd be happy to help you complete your forms.

Hazel Stude, age 3, daughter of Blaire & Havi Stude and granddaughter to our own Patty Stude.



GRAZE OUT WHEAT

For those of you that are grazing cattle on your wheat, March 15th is the final day to "short rate" your wheat on that grazed field. If you have decided to graze-out a field that was originally intended to be harvested for grain, **you will need to contact our office prior to March 15th** so that we can remove those particular acres from your insurance policy and short rate them for you.



WHEAT CLAIMS



If a situation arises where you need to destroy wheat acres, **please contact our office prior to any acres being destroyed.**

It is very important for us to get an adjuster out to the field prior to acres being destroyed, regardless of what the reason is. We can get an adjuster to the field fairly quickly to discuss your options with you. Also, please help us with our claims processing by notifying us as soon as you know you will have any type of loss on your crop.



Southwest Ag Insurance proudly offers Copeland and the surrounding communities the highest level of service in the crop insurance industry. We know our customers, we know the area, we know agriculture, and we know crop insurance. Gary Gillespie's experience as a life-long professional in the Ag industry with expertise in agronomy and grain marketing as well as crop insurance, brings a fresh perspective to the business. Our agency's mission is to help our customers succeed through superior service, utilizing strategic risk management strategies developed to fit the needs of each individual farming operation. We know you have a choice. We sincerely appreciate your confidence in us and we strive to provide you with the knowledge and service that you expect and deserve.

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Thanks for your business!



Greetings from
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