BARNYARDS & BACKYARDS

MAY 2013

UNIVERSITY OF WYOMING

University of Wyoming Extension | Profitable & Sustainable Agricultural Systems | RMA Risk Management Agency

Big Horn County producers use budget tools from RightRisk.org — Part IV

By James Sedman and John Hewlett

Previous articles in this series focused on Big Horn County farmers Ken and Rich Riff's use of partial budgeting tools from RightRisk.org to examine a change in tillage practices and past management decisions for their sugar beet enterprise.

The brothers now look to evaluate changes in individual enterprises and the effect on their farm net returns.

Wyoming farms and ranches typically include a mix of several enterprises. In this discussion, an enterprise represents any facet of an operation to which revenue and expenses may be allocated.

Enterprise budgeting involves separating all income and expenses and assigning those to each enterprise. This allows a manager to evaluate how the enterprise activities contribute to the bottom line of an entire business.

Analysis of individual enterprises is overlooked, however. The Riffs believe that, while they have a firm grasp on revenue and expenses at the production level (such as seed, fertilizer, and machinery costs), they need to better understand how unallocated expenses such as insurance, labor, management, interest, and other expenses affect each enterprise.

Enterprise analysis can help managers better understand which enterprises are effectively utilizing business resources and the enterprises that may require management changes.

Enterprise Risk Analysis Tool from RightRisk.org

The enterprise risk analysis tool from RightRisk.org simplifies enterprise budgeting for managers in several key ways.

First, it helps show the revenue and expenses for each enterprise along with profitability, effectiveness, and ability to contribute to the overall operation net return. The tool uses minimum, most likely, and maximum yield and price data along with the farm Schedule F tax return information and allocates it accordingly to each enterprise.

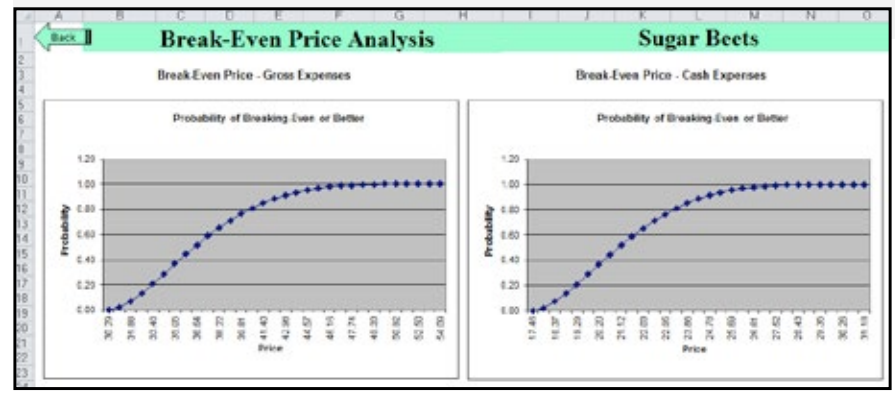
Secondly, the tool helps a producer determine break-even yields and prices for each enterprise.

Lastly, it helps a producer understand the relationship of projected prices and yields over time and assists with long-range planning.

In our example of the Riff brothers' purchase of a strip-till machine, they can examine the effects of their purchase over their entire operation. To use the tool, the Riffs enter their individual enterprise general information (sugar beets, dry beans, and barley, for example). They then enter their Schedule F data and make the necessary allocations of income and expenses for each enterprise.

The Riffs could also determine the long-run feasibility or profitability of their purchase by reallocating the cost and returns over all their cropping enterprises. This long-term planning assists in determining risk management needs, such as basing crop insurance coverage on a projected long-range average yield and break-even price.

Table 1. Break-Even Prices for an Example Sugar Beet Enterprise Calculated Using the Enterprise Risk Analysis Tool from RightRisk.org.



For more information

To access the risk management budgeting tools, log on to RightRisk.org and click "Risk Mgt Tools" under the Resources tab. Producers can choose from simple or complex partial budgeting tools, enterprise budgeting tools, and whole-farm budgeting tools. RightRisk.org lists numerous other risk management-related resources including producer profiles, tools, and interactive courses designed to expand a producer's risk management perspective.

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Berry delicious varieties can be grown in Wyoming

By Scott Hininger

All small fruit prefer a sunny location with good drainage, preferably a neutral pH, and plenty of moisture and fertilizer.

Before planting, incorporate plenty of organic matter in the soil and use a fertilizer with sulfur to help temporarily lower the pH (most Wyoming soils have a high pH).

Strawberries

Strawberry varieties are classified as **June-bearing**, **everbearing,** or **day neutral**. **June-bearing** varieties tend to produce the most flavorful, aromatic berries. Some recommended June-bearers (one crop) for Wyoming are Guardian, L'Amour, Honeoye, Redchief, Delite, Jewel, Mesabi, A.C. Wendy, Cabot, and Cavendish.

Everbearing strawberries typically provide two main crops each year with small amounts of fruit produced between the main crop in June and a lighter crop in late summer or early fall. Some of the more common everbearing varieties are Ogallala, Fort Laramie, and Ozark Beauty.

Day neutral varieties are similar to everbearers but flower and fruit more consistently over the summer. Recommended day neutral varieties include Tribute and Tristar. Generally, for best production, strawberry plants need to be replaced every three to four years.

Raspberries

There are two growth-types of raspberries: **summer bearing** and **fall-bearing**. **Summer-bearing** varieties produce flowers and fruit on canes that are in their second year of growth. **Fall-bearing** varieties produce flowers and fruit on canes in their first year of growth.

Recommended summer-bearing red raspberries include Nova, Killarney, Boyne, Latham, Red Newburgh, and Titan. Recommended fall-bearing raspberries include Autumn Britten, Anne (yellow-fruited), Polana, Jaclyn, Joan-J (nearly thornless), Himbo-Top, Caroline, Heritage, and September.

A 250-foot row should produce 15 to 20 pounds of raspberries per year. Remove the spent floricanes of summer-bearing varieties by cutting them off at the ground after they bear fruit. Dispose of these canes – they often harbor insects and disease. In the spring, remove the dead, weak, and small canes. Remove winterkilled tips of the remaining canes.

Having a V-shaped trellis is handy to keep this year's growth separate from last year's growth, which produced berries. Mow or cut the canes of fall-bearing varieties to ground level after the fall harvest. New canes will be produced in the spring. Both types will give an early- and late-season bounty of fruit.


Jostaberries

Currants, Gooseberries, Jostaberries

Red currants (*Ribes sativum*), **gooseberries** (*R. grossularia*) and **jostaberries** (*R. nidigrolaria*) have ornamental as well as fruit value. Their hardiness and adaptability allow them to succeed where most other fruit crops fail. Red currants are preferred for fruit production over alpine or golden currants. Red Lake, Wilder, Jonkheer van Tets, and Rovada are some good red varieties to try. For black currants, look for Consort, Boskoop Giant, Ben Nevis, or Crusader.

Gooseberry varieties to look for are Hinnonmaki Red, which is a large gooseberry with a sweetly rich, deep-red flesh, and tangy outer skin. Welcome is sweeter and darker at maturity, produces a 1/2-inch berry, and its thorns are not as numerous or stiff as others. Invicta produces very large, pear-shaped berries with excellent flavor. Tixia is semi-thornless and very vigorous and productive. The fruit is very large with a beautiful, bright-red color.

Jostaberries (YUST-a-berries) are a hybrid between the gooseberry and the black currant.


Red raspberries

Berries are two to three times the size of the red currant – nearly the size of the common gooseberry. They are nearly black, although more forms that are reddish are available, and they are loaded with vitamin C. Best fruit set occurs when both black and red jostaberries are grown – even though they are self-fertile.

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