



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

## Big Horn Basin farm uses new Enterprise Risk Analyzer Tool - III

By James Sedman and John Hewlett

The Enterprise Risk Analyzer tool (ERA tool) available from RightRisk.org assists producers with enterprise analysis to determine individual enterprise profitability and profitability of their overall business.

The tool can ensure resources are allocated in the most efficient manner.



### For more information

The Enterprise Risk Analyzer tool from RightRisk.org is free to use for producers looking to improve their business and bottom line. Click the "Risk Mgmt Tools" tab at RightRisk.org and select the Enterprise Risk Analyzer Tool link from the menu. The tool includes a user guide and an example farm and ranch. Visit RightRisk.org for other risk management planning resources including tools, courses, risk management profiles, and other important information.

We previously highlighted an example Big Horn County farm (the EF) and its owners working their way through the analysis. After entering information for each of their five individual enterprises including prices and yields, and estimates for minimum, most likely, and maximum values, IRS Schedule F information, and details for other farm resources, EF managers can examine their break-even information and calculated probabilities for various price and yield levels.

### Probability Analysis

Probability analysis is a key feature of the ERA tool. This allows users to examine how likely various price and yield combinations are to cover cash and total expenses. This information can then help project how break-even values may change over time given expectations about the future.

As shown previously, the ERA tool generates break-even price and yield estimates for each enterprise. This information helps the farm manager determine if an enterprise is best using its resources or if changes are needed.

For example, if the best estimate for price in a given year is considerably below break-even levels for a given yield, changes may be needed in production and/

or marketing plans to compensate.

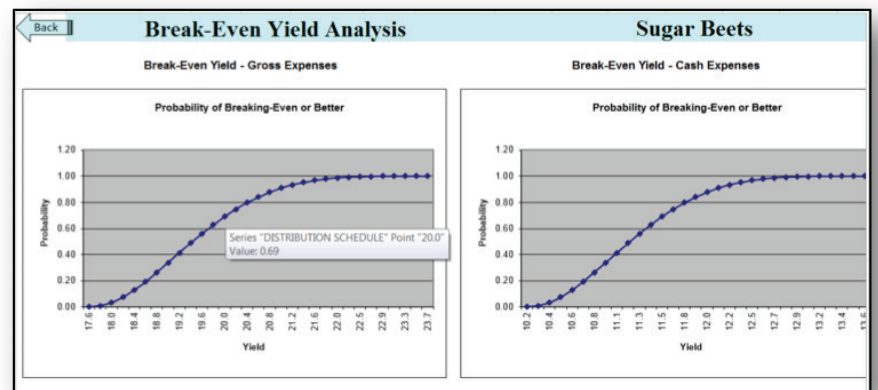
The break-even data generated by the ERA tool is then used to calculate probability estimates for each enterprise in graphical form with break-even values on a cash and gross expenses basis.

In the case of the EF Farm, the sugar beet enterprise probabilities are shown in the charts at right. At \$38.22 per ton for a sugar beet price, the probability of breaking even on gross expenses is 65 percent.

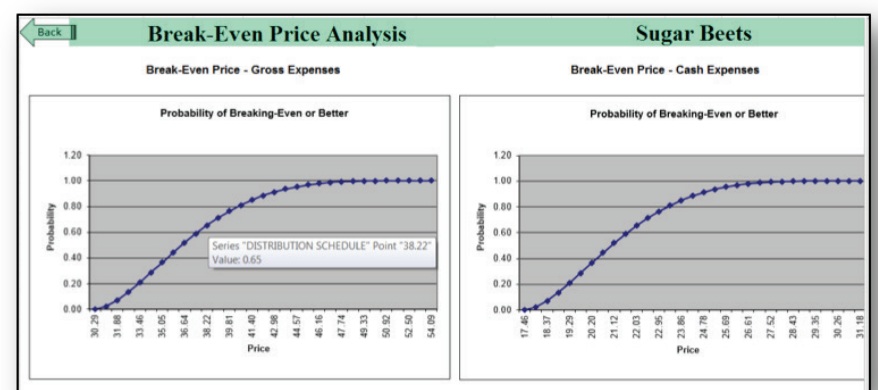
Likewise, for a 20 ton/acre beet yield, there is a 69 percent probability gross expenses will be met.

Looking back at previous analyses, the expected price and yield levels (most likely) were \$39/ton and 22 tons/acre. One could reasonably expect from this break-even analysis that the sugar beet enterprise will cover gross expenses.

If beet yields were to drop below 19 tons/acre or prices below \$35/ton, then the ability to cover



Sugar Beet Break-even Price Probabilities



Sugar Beet Break-even Yield Probabilities

expenses would be projected and adjustments would likely be required.

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## Plant propagation stung by decreasing bee numbers

Whether for crop production or on a plate, bees put money in pockets and food on table

By Donna Quin

The world is greatly dependent upon honeybees for pollinating crops and production of up to one-third of the crop foods we eat.

Native bees pollinate most of the remaining food-source plants. Some of these are social bees and live in colonies with a queen and many worker bees. The remaining are solitary bees that do not live together but live a more independent life. They visit many, many plants a day and ensure seed is produced in individual flowers and continue distribution of those species.

Whether food for humans or feed for the animals in our food chain, we are reliant upon bees.

The USDA recognizes more than 4,000 species of bees just in the United States. Our list of pollinators also includes many beetles, flies, wasps, butterflies and moths; each has its own set of favorite-shaped flowers to visit based on its own body shape and flight habits.

### Bees = Plants

There are many plants growing across the Rocky Mountains and western plains not part of our food chain but nonetheless important to our native environment. They are

a source of food for foraging native and domesticated animals. These plants are the native wildflowers, shrubs, and trees. Some are reliant upon one species of insect to do all its pollinating, and others are receptive to a number of insects to assist in spreading pollen.

Gardening enthusiasts are gaining a greater appreciation for including native plants in their landscapes to provide habitat for native wildlife ranging from the tiny, six-legged varieties to the larger, four-legged species.



Photo: Donna Quin

### Online bee information resources

- Regional-based materials are at <http://bit.ly/pollinatorcenter>
- The USDA Forest Service has several good publications and resources at <http://bit.ly/fspollinators>
- There are also many generic brochures available at The Pollinator.org site <http://bit.ly/pollinatorsite>
- The "Laramie Area" pollinator pocket guide is another resource from the University of Wyoming and is distributed through the Berry Center. Much of the information is valuable across the state <http://bit.ly/wyoversity>

### Many Gardeners Want to Improve Bee Sustainability

Native plants have been a growing component of xeriscapes or waterwise landscapes for many years and are gaining popularity as concerns about honeybee colony collapse disorder increases. Many people want to do what they can, or do anything they can, to help improve chances for honeybees to become more sustainable again and improving the habitat for species not facing the stresses and impacts of honeybees.

The biggest source of native plants is not in maintained gardens but along the hillsides and across the plains. Plants that fill the daily scene of ag producers and public lands users are those that provide the majority of habitat for the diversity of native pollinators.

### Plants for Gardens, Bee College for Enthusiasts

For gardeners looking for great additions to a small, native habitat garden, the University of Wyoming Extension is producing the timely, new publication "Plants with Altitude: Regionally Native Plants for Wyoming Gardens," for the general public. The publication



is being printed and will soon be listed at <http://www.wyomingextension.org/publications/> as publication B-1255 for free viewing.

A limited number of print copies will be available at UW Extension offices, conservation district offices, and weed and pest districts in late March.

The Wyoming Bee College is March 22-23 in Cheyenne for those interested in starting or learning more about raising honeybees. The schedule is at <http://bit.ly/beecollege>. Registration is also available online at [eventbrite.com](http://eventbrite.com), Wyoming Bee College. Cost is \$50 for either days or \$35 for one. Contact Laramie County UW Extension horticulturist Catherine Wissner at 307-633-4383 for more information.

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