

Now's the Time to Assess the Risks on your Farming Operation

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It's the start of a new year, it's been cold, daylight is in short supply, you're inside getting records together for your accountant, so what better time to assess the risks on your farming operation and make plans on how to address your critical risks in 2018!

A useful and simple to use tool that helps you get started is the Risk Management Checklist: https://www.rma.usda.gov/pubs/2011/risk_management_checklist.pdf.

The Risk Management Checklist is broken down into six categories: Production; Marketing; Financial; Legal; Human; and, General. Each category has a series of questions that require a simple "Yes" or "No" checkmark. As you read down the checklist you will note many things that undoubtedly you have already dealt with. The beauty of the Risk Management Checklist and what makes it an effective tool to begin analyzing your farming risks is that it captures all these categories in one document. After completing the checklist you should quickly see the areas you need to address.

Review the checklist with your family and/or your business associates including lenders and service providers to address the most critical risks identified on the checklist. Don't be surprised to find that you are already protected against risk in some of those categories to the point that you have the resources to address other risk categories on your farming operation.

Paul Russell and Tom Smiarowski work with (Massachusetts/Rhode Island) farmers under the USDA - Risk Management Agency (RMA) Targeted States Program to address risks on farming operations with a primary emphasis on Federal Crop Insurance. Federal Crop Insurance can provide an important and effective tool in managing production risks while providing a safeguard against damaging weather. Crop insurance is sold and delivered through private crop insurance agents. A list of crop insurance agents is available at all USDA Service Centers or on the RMA website at <https://www.rma.usda.gov/tools/agent.html>.

The Federal government, as well as State governments and private organizations, have programs that can provide financial and technical assistance to address potential problems, risks and threats identified on the Risk Management Checklist. For more information, please visit

www.rma.usda.gov or contact Paul Russell at pmrussell@umass.edu or Tom Smiarowski at tsmiarowski@umass.edu. Now is the time! You won't have that time in the Spring!

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