



United States Department of Agriculture

Farm and Foreign Agricultural Services
Risk Management Agency

BULLETIN NO.: MGR-01-010.1

TO: All Reinsured Companies
All Risk Management Field Offices
All Interested Parties

FROM: Phyllis W. Honor /s Phyllis W. Honor 6-5-01
Acting Administrator

SUBJECT: Information Concerning Sugar Beet Claims for Delivered Production in 16
Southern Minnesota Counties

ISSUE:

MGR-01-010 stated that insurance providers could “contact RMA for assistance in locating experts to provide assistance” in making loss determinations on damaged sugar beets in Minnesota delivered to the Southern Minnesota Beet Sugar Cooperative (SMBSC). Reinsured companies have requested assistance in the attribution of discarded production to individual producers based on the total production that was discarded by SMBSC.

INFORMATION:

The following is the information requested by the reinsured companies:

1. Each insured’s records of delivery include the name of the piling station where the sugar beets were delivered and the total number of tons delivered. SMBSC records indicate the following data for each piling station for the purpose of determining the insureds’ pro rata share.



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The Risk Management Agency Administers and Oversees
All Programs Authorized Under the Federal Crop Insurance Corporation

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	Tons delivered	Tons Discarded	Shrink	Factor ¹
Bird Island	323,996	93,822	16,647	.71
Benson	125,894	1,250	9,015	.99
Buffalo Lake	101,806	15,500	6,242	.85
Clara City East	49,846	0	3,605	1.00
Clara City West	228,891	7,395	16,019	.97
Hector	204,553	110,784	6,782	.46
Maynard	71,850	38,819	2,389	.46
Milan	38,730	0	2,801	1.00
Murdock	198,041	15,111	13,230	.92
Raymond	146,535	1,825	10,466	.99
Redwood Falls	92,131	56,526	2,575	.39
Renville	750,812	142,037	44,028	.81

2. Following is the percentage of cossette sugar and purity at the time that the sugar beets were sliced by SMBSC. Since the production was commingled, these percentages would apply to all producers unless a producer has individual, verifiable records of the sugar percentages applicable to his or her own delivered sugar beets.

Week <u>Ending</u>	Tons <u>Sliced</u>	Cossette <u>Sugar %</u>	Cossette <u>Purity</u>
08/27/00	3,815	14.41%	85.77%
09/03/00	50,069	14.92%	87.72%
09/10/00	70,049	14.54%	86.85%
09/17/00	72,474	15.27%	88.32%
09/24/00	69,307	15.36%	87.80%
10/01/00	68,931	16.32%	88.31%
10/08/00	72,696	17.25%	88.82%
10/15/00	62,583	17.02%	89.18%
10/22/00	68,547	17.39%	88.56%
10/29/00	87,015	16.73%	88.49%
11/05/00	87,697	16.35%	86.60%
11/12/00	91,591	16.23%	85.60%
11/19/00	80,925	15.86%	86.00%
11/26/00	58,030	15.70%	85.01%
12/03/00	72,958	15.52%	84.25%
12/10/00	70,485	15.48%	84.16%
12/17/00	63,023	15.49%	84.72%
12/24/00	50,156	15.66%	86.16%

¹ The factor is determined by dividing the number of tons discarded by the number of tons delivered. Shrink is not included because it is the amount of loss that generally occurs each year and is not attributable to an insured cause of loss. Normal shrink is 8.0 percent.

12/31/01	41,655	15.78%	85.08%
01/07/01	49,225	16.15%	86.60%
01/14/01	56,985	15.63%	86.03%
01/21/01	65,545	16.28%	86.45%
01/28/01	60,939	15.96%	86.35%
02/02/01	59,779	15.93%	85.56%
02/11/01	53,871	16.04%	85.22%
02/18/01	46,238	16.04%	86.73%
02/25/01	26,982	16.31%	86.40%
03/04/01	52,560	16.28%	87.22%
<u>03/11/01</u>	<u>12,089</u>	<u>16.03%</u>	<u>85.87%</u>
Total and Averages	1,716,219	15.99%	86.51%

3. The calculation in item 1 only determines the amount of production that remains after discards.
4. SMBSC's records indicate that four electronic communications were sent to members prior to November 30 that could be considered as notice of damage to the insureds, at least at certain receiving stations. Copies of these communications have been sent to National Crop Insurance Services.

DISPOSAL:

This bulletin is for the purpose of transmitting and updating information only and the disposal date is December 31, 2001.