
2018 Cost of Production

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Wheat, Spring Cost of Production/BEP

- ▶ Input your numbers
 - ▶ A. Yield
 - ▶ Value per bu
 - ▶ Other Crop Income
 - ▶ (Hedging Gains, Crop Insurance, Other)
 - ▶ B. Gross Return per acre
- ▶ 2016 RankEm ranges
 - ▶ A. 28.39-99.02 bu
 - ▶ \$4.25-6.00
 - ▶ \$0-\$175.96
 - ▶ B. \$144.81-508.05

Wheat, Spring Cost of Production/BEP

▶ Direct Expenses-Yours

- ▶ Seed
- ▶ Fertilizer
- ▶ Chemicals
- ▶ Crop Insurance
- ▶ Drying Expense
- ▶ Fuel/Oil
- ▶ Repairs

▶ Direct Expenses-RankEm

- ▶ Seed: \$9.55-36.00
- ▶ Fertilizer: \$24.02-120.00
- ▶ Chemicals: \$6.69-52.05
- ▶ Crop Insurance:
 - ▶ \$2.99-29.43
- ▶ Fuel/Oil: \$0-25.56
- ▶ Repairs: \$0-44.43

Wheat, Spring Cost of Production/BEP

▶ Direct Expenses-Yours

- ▶ Custom Hire
- ▶ Land Rent/Cost
- ▶ Machinery Leases
- ▶ Operating Interest
- ▶ Miscellaneous
- ▶ C.Total Direct

▶ Direct Expenses-RankEm

- ▶ Custom Hire: \$0-62.04
- ▶ Land Rent/Cost:
 - ▶ \$60.93-248.85
- ▶ Machinery Leases:
 - ▶ \$0-43.74
- ▶ Operating Interest:
 - ▶ \$0-18.47
- ▶ Miscellaneous: \$0-15.59
- ▶ C.Total Direct: \$198.15-434.25

Wheat, Spring Cost of Production/BEP

▶ Overhead Expenses-Yours

- ▶ Hired Labor
- ▶ Machinery Leases
- ▶ Building Leases
- ▶ Farm Insurance
- ▶ Utilities

▶ Overhead Expenses-RankEm

- ▶ Hired Labor: \$0-51.73
- ▶ Machinery Leases:
 - ▶ \$0-15.41
- ▶ Building Leases: \$0-13.90
- ▶ Farm Insurance: \$0-21.60
- ▶ Utilities: \$0-28.75

Wheat, Spring Cost of Production/BEP

▶ Overhead Expenses-Yours

- ▶ Dues/Prof Fees
- ▶ Interest
- ▶ Mach/Blg/Prin Payments
- ▶ Misc
- ▶ Total Overhead
- ▶ Total D/O

▶ Overhead Expenses-RankEm

- ▶ Dues/Prof Fees: \$0-23.16
- ▶ Interest: \$0-25.27
- ▶ Mach/Blg/Prin Payments:
 - ▶ \$0-91.61
- ▶ Misc: \$0-62.50
- ▶ Total Overhead:
 - ▶ \$4.31-184.42
- ▶ Total D/O: \$266.41-523.80

Wheat, Spring Cost of Production/BEP

▶ Yours

- ▶ Net Return per Acre
- ▶ Gov Payments
- ▶ Net Return+GP
- ▶ Labor/Mgmt/FL
- ▶ NR over L/M/FL
- ▶ Total COP

▶ RankEm

- ▶ Net Return per Acre:
 - ▶ \$160.64-(241.35)
- ▶ Gov Payments: \$0-31.73
- ▶ Net Return+GP: \$190.22-(222.39)
- ▶ Labor/Mgmt/FL: \$8.02-80.78
- ▶ NR over L/M/FL: \$158.55 – (302.08)
- ▶ Total COP: \$2.60-111.03

Corn Cost of Production/Break Even

- ▶ Input your numbers
 - ▶ A. Yield
 - ▶ Value per bu
 - ▶ Other Crop Income
 - ▶ (Hedging Gains, Crop Insurance, Other)
 - ▶ B. Gross Return per acre
- ▶ 2016 RankEm ranges
 - ▶ A. Yield-110-232 bushels
 - ▶ 2.62-3.50
 - ▶ 0-163.71
 - ▶ B. 352.58-\$95.99

Corn Cost of Production/Break Even

▶ Direct Expenses-Yours

- ▶ Seed
- ▶ Fertilizer
- ▶ Chemicals
- ▶ Crop Insurance
- ▶ Drying Expense
- ▶ Fuel/Oil
- ▶ Repairs

▶ Direct Expenses-RankEm

- ▶ Seed: \$51.86-180.26
- ▶ Fertilizer: \$50.15-198.46
- ▶ Chemicals: \$5.00-198.46
- ▶ Crop Insurance:
 - ▶ \$6.82-44.63
- ▶ Drying Expense: \$0-32.06
- ▶ Fuel/Oil: \$1.07-39.80
- ▶ Repairs: \$1.20-\$1.37

Corn Cost of Production/Break Even

▶ Direct Expenses-Yours

- ▶ Custom Hire
- ▶ Land Rent/Cost
- ▶ Machinery Leases
- ▶ Operating Interest
- ▶ Miscellaneous
- ▶ C.Total Direct

▶ Direct Expenses-RankEm

- ▶ Custom Hire: \$0-135.06
- ▶ Land Rent/Cost: \$16.83-270
- ▶ Machinery Leases: \$0-54.49
- ▶ Operating Interest: \$0-28.17
- ▶ Miscellaneous: \$0-33
- ▶ C.Total Direct:
 - ▶ \$332.79-750.29

Corn Cost of Production/Break Even

▶ Overhead Expenses-Yours

- ▶ Hired Labor
- ▶ Machinery Leases
- ▶ Building Leases
- ▶ Farm Insurance
- ▶ Utilities

▶ Overhead Expenses-RankEm

- ▶ Hired Labor: \$0-94.84
- ▶ Machinery Leases: \$0-41.39
- ▶ Building Leases: \$0-25.48
- ▶ Farm Insurance: \$0-49.73
- ▶ Utilities: \$0-20.78

Corn Cost of Production/Break Even

▶ Overhead Expenses-Yours

- ▶ Dues/Prof Fees
- ▶ Interest
- ▶ Mach/Blg/Prin Payments
- ▶ Misc
- ▶ Total Overhead
- ▶ Total D/O

▶ Overhead Expenses-RankEm

- ▶ Dues/Prof Fees: \$0-17.69
- ▶ Interest: \$0-23.56
- ▶ Mach/Blg/Prin Payments:
 - ▶ \$0-118.96
- ▶ Misc: \$0-41.59
- ▶ Total Overhead: \$15.33-193.65
- ▶ Total D/O: \$383.16-886.67

Corn Cost of Production/Break Even

- ▶ Yours
 - ▶ Net Return per Acre
 - ▶ Gov Payments
 - ▶ Net Return+GP
 - ▶ Labor/Mgmt/FL
 - ▶ NR over L/M/FL
 - ▶ Total COP
- ▶ RankEm
 - ▶ Net Return per Acre:
 - ▶ \$194.68- (300.36)
 - ▶ Gov Payments: \$0-39.38
 - ▶ Net Return+GP:
 - ▶ \$220.16- (279.54)
 - ▶ Labor/Mgmt/FL:
 - ▶ \$7.03-115.36
 - ▶ NR over L/M/FL:
 - ▶ \$146.67- (310.33)
 - ▶ Total COP: \$2.38-5.05

Soybeans Cost of Production/BEP

- ▶ Input your numbers
 - ▶ A. Yield
 - ▶ Value per bu
 - ▶ Other Crop Income
 - ▶ (Hedging Gains, Crop Insurance, Other)
 - ▶ B. Gross Return per acre
- ▶ 2016 RankEm ranges
 - ▶ A. Yield-14.1-65.00 bu
 - ▶ \$8.00-10.50
 - ▶ \$0-212.12
 - ▶ B. \$179.93-601.25

Soybeans Cost of Production/BEP

▶ Direct Expenses-Yours

- ▶ Seed
- ▶ Fertilizer
- ▶ Chemicals
- ▶ Crop Insurance
- ▶ Fuel/Oil
- ▶ Repairs

▶ Direct Expenses-RankEm

- ▶ Seed: \$33.25-94.53
- ▶ Fertilizer: \$0-75.30
- ▶ Chemicals: \$4.58-65.96
- ▶ Crop Insurance: \$4.44-37.23
- ▶ Fuel/Oil: \$0-25.56
- ▶ Repairs: \$0-44.43

Soybeans Cost of Production/BEP

▶ Direct Expenses-Yours

- ▶ Custom Hire
- ▶ Land Rent/Cost
- ▶ Machinery Leases
- ▶ Operating Interest
- ▶ Miscellaneous
- ▶ C.Total Direct

▶ Direct Expenses-RankEm

- ▶ Custom Hire: \$0-62.04
- ▶ Land Rent/Cost-
 - ▶ \$16.83-253.83
- ▶ Machinery Leases: \$0-54.49
- ▶ Operating Interest-: 0-18.47
- ▶ Miscellaneous:\$-0-41.99
- ▶ C.Total Direct:
 - ▶ \$185.99-473.17

Soybeans Cost of Production/BEP

▶ Overhead Expenses-Yours

- ▶ Hired Labor
- ▶ Machinery Leases
- ▶ Building Leases
- ▶ Farm Insurance
- ▶ Utilities

▶ Overhead Expenses-RankEm

- ▶ Hired Labor: \$0-35.87
- ▶ Machinery Leases: \$0-22.58
- ▶ Building Leases: \$0-13.90
- ▶ Farm Insurance: \$0-27.12
- ▶ Utilities: \$0-28.75

Soybeans Cost of Production/BEP

- ▶ Overhead Expenses-Yours
 - ▶ Dues/Prof Fees
 - ▶ Interest
 - ▶ Mach/Blg/Prin Payments
 - ▶ Misc
 - ▶ Total Overhead
 - ▶ Total D/O
- ▶ Overhead Expenses-RankEm
 - ▶ Dues/Prof Fees: \$0-23.16
 - ▶ Interest: \$0-14.34
 - ▶ Mach/Blg/Prin Payments:
 - ▶ \$0-104.16
 - ▶ Misc: \$0-62.50
 - ▶ Total Overhead:
 - ▶ \$4.31-184.42
 - ▶ Total D/O:
 - ▶ \$226.73-521.27

Soybeans Cost of Production/BEP

▶ Yours

- ▶ Net Return per Acre
- ▶ Gov Payments
- ▶ Net Return+GP
- ▶ Labor/Mgmt/FL
- ▶ NR over L/M/FL
- ▶ Total COP

▶ RankEm

- ▶ Net Return per Acre:
 - ▶ \$316.09-(140.24)
- ▶ Gov Payments: \$0-\$39.38
- ▶ Net Return+GP:
 - ▶ \$321.41-(119.76)
- ▶ Labor/Mgmt/FL:
 - ▶ \$8.02-80.78
- ▶ NR over L/M/FL: \$283.03-(150.55)
- ▶ Total COP: \$4.34-20.26

2018 Early Outlook for Valley North

Name:		Farm Business Management-Projection for 2018 Valley North							
		FSA Planning Prices		Corn	\$3.35	Wheat, Spring	5.75		
PROJECTED FARM CASH FLOW BY CROP/BEP				Soybeans	\$9.00	Sugarbeets-ACS	42		
		Basis -.30		Basis -.80		Basis -.70	No JV Cost, and typical labor mar		
CROP INCOME		WHEAT		SOYBEANS		CORN	Sugar Beets		
		Acres		Acres		Acres	Acres		
Acres		1		1		1	1		
Wok Units		30		30		55	120		
Yield Per Acre		70.00	70.00	35.00	35.00	150.00	28.00	28.00	
Price Received per Bushel/Ton	\$	6.01		9.16		3.12		42.00	
Total Product Return per Acre	\$	420.70	\$ 420.70	\$ 320.60	\$ 320.60	\$ 468.00	\$ 468.00	\$ 1,176.00	\$ 1,176.00
Miscellaneous Payments	\$	-		-		-		-	
Gross Return per Acre	\$	420.70	\$ 420.70	\$ 320.60	\$ 320.60	\$ 468.00	\$ 468.00	\$ 1,176.00	\$ 1,176.00
DIRECT EXPENSES									
Seed	\$	19.00	\$ 19.00	\$ 62.50	\$ 62.50	\$ 96.00	\$ 96.00	\$ 219.00	\$ 219.00
Fertilizer	\$	81.00	\$ 81.00	\$ 12.00	\$ 12.00	\$ 116.00	\$ 116.00	\$ 92.00	\$ 92.00
Crop Chemicals	\$	25.00	\$ 25.00	\$ 30.00	\$ 30.00	\$ 26.00	\$ 26.00	\$ 100.00	\$ 100.00
Crop Insurance	\$	14.00	\$ 14.00	\$ 18.00	\$ 18.00	\$ 20.00	\$ 20.00	\$ 30.00	\$ 30.00
Fuel and Oil	\$	12.00	\$ 12.00	\$ 11.00	\$ 11.00	\$ 18.00	\$ 18.00	\$ 44.00	\$ 44.00
Repairs	\$	21.00	\$ 21.00	\$ 20.00	\$ 20.00	\$ 35.00	\$ 35.00	\$ 94.00	\$ 94.00
Custom Labor	\$	-		-		-		\$ 50.00	\$ 50.00
Stock Quota Joint Venture	\$	-		-		-		-	
Land Rent/Costs	\$	100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00	\$ 100.00
Drying	\$	-		-		15.00	20.00	-	
Operating Interest	\$	5.00	\$ 5.00	\$ 5.00	\$ 5.00	\$ 10.00	\$ 10.00	\$ 12.00	\$ 12.00
Miscellaneous	\$	5.00	\$ 5.00	\$ 5.00	\$ 5.00	\$ 5.00	\$ 5.00	\$ 7.50	\$ 7.50
TOTAL DIRECT EXPENSE	\$	282.00	\$ 282.00	\$ 263.50	\$ 263.50	\$ 441.00	\$ 441.00	\$ 748.50	\$ 748.50
OVERHEAD EXPENSES									
		w/\$28 labor/mgmt charge		w/\$28 labor/mgmt charge		w/\$43 labor/mgmt charge		w/\$118 labor/mgmt charge	
Overhead Expenses	\$	93.00	\$ 93.00	\$ 93.00	\$ 93.00	\$ 143.00	\$ 143.00	\$ 320.00	\$ 320.00
TOTAL OVERHEAD EXPENSE	\$	93.00	\$ 93.00	\$ 93.00	\$ 93.00	\$ 143.00	\$ 143.00	\$ 320.00	\$ 320.00
TOTAL EXPENSES/ACRE	\$	375.00	\$ 375.00	\$ 356.50	\$ 356.50	\$ 584.00	\$ 584.00	\$ 1,068.50	\$ 1,068.50
NET RETURN/ACRE	\$	45.70	\$ (35.90)	\$ (116.00)	\$ (116.00)	\$ 107.50	\$ 107.50		

2018 Early Outlook for Valley South

Name:	Farm Business Management-Projection for 2018 Valley South							
	FSA Planning Prices			Corn	\$3.35	Wheat, Spring	5.75	
PROJECTED FARM CASH FLOW BY CROP/BEP				Soybeans	\$9.00	Sugarbeets-ACS	42	
	Basis -.20		Basis -.70		Basis -.65		No JV Cost, and typical labor ma	
	WHEAT		SOYBEANS		CORN		Sugar Beets	
	Acres		Acres		Acres		Acres	
CROP INCOME	1		1		1		1	
Acres	1		1		1		1	
Wok Units	30		30		55		120	
Yield Per Acre	70.00	70.00	42.00	42.00	165.00	165.00	28.00	28.00
Price Received per Bushel/Ton	\$ 6.11		\$ 9.26		\$ 3.17		\$ 42.00	
Total Product Return per Acre	\$ 427.70	\$ 427.70	\$ 388.92	\$ 388.92	\$ 523.05	\$ 523.05	\$ 1,176.00	\$ 1,176.00
Miscellaneous Payments	\$ -		\$ -		\$ -		\$ -	\$ -
Gross Return per Acre	\$ 427.70	\$ 427.70	\$ 388.92	\$ 388.92	\$ 523.05	\$ 523.05	\$ 1,176.00	\$ 1,176.00
DIRECT EXPENSES								
Seed	\$ 19.00	\$ 19.00	\$ 62.50	\$ 62.50	\$ 96.00	\$ 96.00	\$ 219.00	\$ 219.00
Fertilizer	\$ 81.00	\$ 81.00	\$ 12.00	\$ 12.00	\$ 116.00	\$ 116.00	\$ 92.00	\$ 92.00
Crop Chemicals	\$ 25.00	\$ 25.00	\$ 30.00	\$ 30.00	\$ 26.00	\$ 26.00	\$ 100.00	\$ 100.00
Crop Insurance	\$ 14.00	\$ 14.00	\$ 18.00	\$ 18.00	\$ 20.00	\$ 20.00	\$ 30.00	\$ 30.00
Fuel and Oil	\$ 12.00	\$ 12.00	\$ 11.00	\$ 11.00	\$ 18.00	\$ 18.00	\$ 44.00	\$ 44.00
Repairs	\$ 21.00	\$ 21.00	\$ 20.00	\$ 20.00	\$ 35.00	\$ 35.00	\$ 94.00	\$ 94.00
Custom Labor		\$ -		\$ -		\$ -	\$ 50.00	\$ 50.00
Stock Quota Joint Venture		\$ -		\$ -		\$ -		\$ -
Land Rent/Costs	\$ 150.00	\$ 150.00	\$ 150.00	\$ 150.00	\$ 150.00	\$ 150.00	\$ 150.00	\$ 150.00
Drying		\$ -		\$ -	\$ 15.00	\$ 20.00		\$ -
Operating Interest	\$ 5.00	\$ 5.00	\$ 5.00	\$ 5.00	\$ 10.00	\$ 10.00	\$ 12.00	\$ 12.00
Miscellaneous	\$ 5.00	\$ 5.00	\$ 5.00	\$ 5.00	\$ 5.00	\$ 5.00	\$ 7.50	\$ 7.50
TOTAL DIRECT EXPENSE	\$ 332.00	\$ 332.00	\$ 313.50	\$ 313.50	\$ 491.00	\$ 491.00	\$ 798.50	\$ 798.50
OVERHEAD EXPENSES	w/\$28 labor/mgmt charge		w/\$28 labor/mgmt charge		w/\$43 labor/mgmt charge		w/\$118 labor/mgmt charge	
Overhead Expenses	\$ 93.00		\$ 93.00		\$ 143.00		\$ 320.00	
TOTAL OVERHEAD EXPENSE	\$ 93.00	\$ 93.00	\$ 93.00	\$ 93.00	\$ 143.00	\$ 143.00	\$ 320.00	\$ 320.00
TOTAL EXPENSES/ACRE	\$ 425.00	\$ 425.00	\$ 406.50	\$ 406.50	\$ 634.00	\$ 634.00	\$ 1,118.50	\$ 1,118.50
NET RETURN/ACRE	\$ 2.70		\$ (17.58)		\$ (110.95)		\$ 57.50	

Can we make money?

- ▶ Mpls Dec 2018 Wheat = \$6.30
- ▶ November 2018 Soybeans = \$10.00
- ▶ Dec 2018 Corn = \$3.80

Beginning Farmer Tax Credit for MN

- ▶ Tax Credits for Asset Owners who sell or lease to beginning farmers
- ▶ Tax Credits for beginning farmers who enroll in Farm Business Management