

## Southcentral Idaho: Magic Valley

Ashlee Westerhold



Magic Valley

### Introduction to Costs & Returns Estimates

The University of Idaho Extension produces crop costs and returns estimates every other year. The overall goal of this project is to provide the Idaho agricultural industry with an unbiased and consistently calculated estimate of the cost of producing various crops and to track the change in production costs per acre and per unit over time.

The University of Idaho's costs and returns estimates are based on economic costs, not just accounting costs. All resources are valued at a market rate or "opportunity cost". Input prices are taken from the U of I's annual survey of agricultural supply companies. The selling price is a historical average, not a current year's price. Production practices are based on data from growers, crop consultants, and extension personnel throughout Idaho. Although production practices may be similar for individual farms, each farm has a unique set of resources with different levels of productivity, different production problems, and therefore different costs. Farm size, crop rotation, age and type of equipment, and the quality and intensity of management are all crucial factors that influence costs. The cost of production estimates show the typical or representative production costs by region based on documented production practices. These production costs are not area averages, rather they are based on model farms for four areas of the state.

University of Idaho costs and returns estimates can be used as a management tool to help producers in three ways:

1. **Templates.** Excel spreadsheets have been created by the University of Idaho to make enterprise budgeting and record keeping an easy task. You can start by substituting our costs and returns estimates with your own numbers. You can also enter them in the "Your Cost" column.
2. **Marketing.** Estimating production costs on a per acre or per unit basis can help you calculate your farm's break-even prices. Knowing your break-even price to cover operating costs and total costs can help with contract negotiations and selling on the open market.
3. **Benchmarks.** The University of Idaho costs and returns estimates are based on a typical or model farm and are calculated annually using consistent methodology. You can use these estimates as benchmarks by comparing your own total costs or specific cost categories to our estimates. This is a good way to find strengths and weaknesses in your production practices.

It's important to remember, just because your production costs are similar to our estimates, that isn't necessarily a good thing. Our model farms are also typically unprofitable! Average producers usually don't make an economic profit (which includes opportunity costs and non-cash costs such as depreciation). Being profitable requires fine-tuned management and a competitive advantage that the average producer doesn't have. (Being average is not okay in farming)

## Southcentral Idaho: Magic Valley Soft White Spring Wheat

Ashlee Westerhold



### Background and Assumptions

The University of Idaho's costs and returns estimates are based on economic costs, not accounting costs. All resources are valued at a market rate or "opportunity cost". Input prices are based on data collected annually by the University of Idaho from agricultural supply companies. The selling price for the commodity is an historical average, not a current year's forecast price. The cost estimate shown here is typical for growing soft white spring wheat under irrigation in the Magic Valley of southcentral Idaho. Production practices are based on data from farmers, crop consultants, and extension personnel. These aren't University of Idaho recommendations. Production practices most closely represent those in Cassia, Minidoka, Jerome, Gooding, and Twin Falls counties. Although production practices may be similar for individual farms, each farm has a unique set of resources with different levels of productivity, different production problems, and therefore different costs. Farm size, crop rotation, age and type of equipment, and the quality and intensity of management are all crucial factors that influence production costs.

#### The Model Farm

This costs and returns estimate models a 2,200-acre farm with 550 acres in spring wheat or other grain crops, 550 acres in potatoes, 550 acres in sugarbeets, 150 acres in dry beans, and 400 acres in corn or alfalfa.

The farm uses a center pivot irrigation system and surface water delivered to the farm from an irrigation district. The irrigation district charges a flat fee per acre for water. Irrigation power use is based only on pressurization (no lift). Power costs per acre-inch of water applied are calculated using 2019 Idaho Power Schedule 24 Agricultural Irrigation Service rates.

#### Production Practices

Wheat acreage is disk-ripped in the fall, and roller harrowed and planted in the spring in a single-pass operation. Wheat is harvested by the farm operator in

August and hauled to a grain elevator and sold. Storage costs are not included. Harvest cost in grain budgets published prior to 2019 was based on a custom rate.

All fertilizer is custom applied in March before planting. A 2-way herbicide mix is ground applied post emergence to control wild oats and broadleaf weeds. A foliar fungicide is applied by air for control of stripe rust. An insecticide may be needed in some years, but none is included because treatment is infrequent and unpredictable. Spring wheat receives 20 inches of water during the growing season; 2 inches in April, 6 inches in May, 7 inches in June, and 5 inches in July. The two inches of water applied in the previous fall are also credited to spring wheat, for a total of 22 inches.

#### Machinery

Equipment used to produce irrigated spring wheat is shown in Tables 4 and 5. Table 4 lists the equipment and their hourly operating and ownership costs, while Table 5 lists the equipment and their annual ownership costs. Machinery ownership capital recovery cost is based on 75% of the replacement cost of a new piece of equipment, except for trucks. Truck prices are for a used vehicle with a new bed. Capital recovery combines depreciation and interest into a single value. To keep machinery prices current between years in which a comprehensive survey is conducted, machinery prices are adjusted using USDA's Farm Machinery Prices Paid Index. Equipment prices are collected approximately every five years.

The University of Idaho uses the budget generator program Budget Planner from the University of California-Davis to produce the various tables shown in this publication. Machinery operating and ownership costs are calculated based on engineering equations in this program. Machinery operating costs include fuel, lubricants and repairs.

## Labor and Management

The cost of labor used in this publication includes a base wage, plus a percentage to account for various payroll taxes (FICA, SUTA & FUTA), and workman's compensation, as well as benefits such as paid vacation/personal leave days, health insurance and bonuses. Labor is classified by the type of work performed. Labor classifications, labor rates and payroll overhead are shown below.

### Labor Values

Labor Class	Base Rate	Payroll Overhead	Effective Rate
General Farm Labor	\$	15%	\$1
Truck Drivers	\$1	15%	\$1
Equipment Operators	\$1	25%	\$
Irrigation Labor			
Set Move: HL & WL	\$	30%	\$
Continuous Move: CP & L	\$	25%	\$

Set Move includes: handlines and wheellines

Continuous Move includes: center pivots and linear move

Payroll overhead for set move systems includes housing

Based on the speed, width and overall field efficiency, Budget Planner calculates equipment operator labor hours for all field operations except those performed on a custom basis. Custom operations are listed separately. General farm labor accounts for extra field labor used during planting or harvest. A management fee based on approximately 5% of the total production costs is included. Prior to 2013, the basis of the 5% charge was expected revenue.

### Capital, Land and Overhead Costs

Interest on operating capital is charged from the time an input is applied until harvest and is calculated at a nominal rate of percent. Interest on intermediate term capital, primarily equipment, is calculated using a nominal rate of percent. A general overhead charge, calculated at approximately 2.5 percent of operating expenses, is included to cover unallocated whole-farm costs such as office expenses, legal and accounting fees, cell phones, internet service and utilities. Irrigation power is not included as part of general farm utilities.

Land rent is based on a one-year cash lease for grain and covers the irrigation system ownership costs (depreciation, interest, and insurance). Since charges for irrigation water, repairs and power costs are listed separately, land rent may appear low because land owners pay some or even all these expenses in many cash leases.

### Budget Format

In addition to the Background and Assumption pages, this publication has six tables presenting a variety of cost and returns information.

Table 1 shows both expected revenue, based on a specified yield and price, and expenses. Expenses are broken into two main categories: operating and ownership. Operating expenses are those that typically vary with the level of production and involve inputs that are used in a single production cycle. Ownership expenses include a systematic cost recovery over the useful life for inputs used in the production process that have a useful life of more than one year. Machinery and land fall into this category. Operating inputs are organized by category. In addition to the cost per unit and cost per acre for each input, a total cost is given for each category. Table 1 also gives a total of all operating, ownership and total costs per acre, as well as these same categories on a yield basis (per bushel, cwt, ton, etc.).

Table 2 has most of the same cost information presented in Table 1 but the data is organized by operation for both pre-harvest and harvest costs. Operations can define a single activity, such as seed hauling, or multiple activities as in the case of tillage. The quantity of labor is shown for each operation. The cash costs per acre for labor, machinery costs, materials and custom are also specified. Cash overhead expenses are listed separately as are the non-cash overhead.

Table 3 is a monthly cash flow of expenses based on when the operation occurs and when inputs are applied. Field operations are classified as pre-harvest, harvest and post-harvest.

Table 4 lists the equipment used to produce this crop and the costs per hour to operate this equipment. Total annual hours of use for the

current crop and for all crops on the farm is also shown.

Table 5 lists the purchase price and salvage value of equipment used to produce this crop, as well as annual capital recovery and cash overhead expenses.

Table 6 provides a ranging analysis, sometimes referred to as a sensitivity analysis. It shows how the costs and returns per acre will vary as the yield and/or price ranges above and below the base values from Table 1.

#### Authors

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#### Disclaimer

The practices and chemicals specified in the publication are not recommendations. Always read and follow the directions printed on the pesticide label. Due to constantly changing pesticide laws and labels, some pesticides may have been eliminated or had certain uses prohibited. The use of trade names for various products simplifies presentation of this material and should not be considered an endorsement, nor is any criticism implied of similar products not mentioned.

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**TABLE 1. COSTS AND RETURNS PER ACRE TO PRODUCE SOFT WHITE SPRING WHEAT**

	Quantity/ Acre	Unit	Price or Cost/Unit	Value or Cost/Acre	Your Cost
<b>GROSS RETURNS</b>					
Soft White Wheat	115.00	bu	4.00	460.00	
<b>TOTAL GROSS RETURNS</b>	<b>115.00</b>	<b>bu</b>		<b>460.00</b>	
<b>OPERATING COSTS</b>					
<b>Seed:</b>				<b>19.80</b>	
Wheat Seed: SWS	110.00	lb	0.18	19.80	
<b>Fertilizer:</b>				<b>69.00</b>	
Dry Nitrogen	125.00	lb	0.40	50.00	
Dry P2O5	50.00	lb	0.38	19.00	
<b>Pesticide:</b>				<b>38.72</b>	
Discover NG	12.80	fl oz	1.15	14.72	
Starane NXT	21.00	fl oz	0.60	12.60	
Quilt	12.00	fl oz	0.95	11.40	
<b>Custom:</b>				<b>27.95</b>	
Custom Fertilize: 0 - 400 lbs	1.00	acre	7.25	7.25	
Custom Haul - wheat	115.00	bu	0.18	20.70	
<b>Irrigation:</b>				<b>101.84</b>	
Irrigation Power - CP	22.00	ac-in	1.94	42.68	
Water Assessment	1.00	acre	47.50	47.50	
Irrigation Repairs - CP	22.00	ac-in	0.53	11.66	
<b>Other:</b>				<b>15.00</b>	
Crop Insurance	1.00	acre	15.00	15.00	
<b>Labor</b>				<b>65.68</b>	
Equipment Operator Labor	1.64	hrs	22.50	36.84	
General Farm Labor	0.52	hrs	17.55	9.04	
Irrigation Labor: CP	0.88	hrs	22.50	19.80	
<b>Machinery</b>				<b>40.55</b>	
Fuel-Gas	2.51	gal	3.25	8.17	
Fuel-Diesel	5.01	gal	3.00	15.03	
Fuel-Road Diesel	0.12	gal	3.50	0.43	
Lube				3.55	
Machinery Repair				13.36	
Interest on Operating Capital @ 7.00%				10.89	
<b>TOTAL OPERATING COSTS/ACRE</b>				<b>389.44</b>	
<b>TOTAL OPERATING COSTS/BU</b>				<b>3.39</b>	
<b>NET RETURNS ABOVE OPERATING COSTS</b>				<b>70.56</b>	

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**TABLE 1. CONTINUED**

	Quantity/ Acre	Unit	Price or Cost/Unit	Value or Cost/Acre	Your Cost
<b>CASH OVERHEAD COSTS</b>					
General Overhead				10.00	
Land Rent				275.00	
Management Fee				36.00	
Property Taxes				0.00	
Property Insurance				1.56	
Investment Repairs				0.00	
<b>TOTAL CASH OVERHEAD COSTS/ACRE</b>				<b>322.56</b>	
<b>TOTAL CASH OVERHEAD COSTS/BU</b>				<b>2.80</b>	
<b>TOTAL CASH COSTS/ACRE</b>				<b>712.00</b>	
<b>TOTAL CASH COSTS/BU</b>				<b>6.19</b>	
<b>NET RETURNS ABOVE CASH COSTS</b>				<b>-252.00</b>	
<b>NON-CASH OVERHEAD COSTS (Capital Recovery)</b>					
Equipment				62.10	
<b>TOTAL NON-CASH OVERHEAD COSTS/ACRE</b>				<b>62.10</b>	
<b>TOTAL NON-CASH OVERHEAD COSTS/BU</b>				<b>0.54</b>	
<b>TOTAL COST/ACRE</b>				<b>774.10</b>	
<b>TOTAL COST/BU</b>				<b>6.73</b>	
<b>NET RETURNS ABOVE TOTAL COST</b>				<b>-314.10</b>	

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TABLE 2. COSTS PER ACRE TO PRODUCE SOFT WHITE SPRING WHEAT

Operation	Operation	Cash and Labor Costs per Acre					Total Cost	Your Cost
	Time (Hrs/A)	Labor Cost	Fuel	Lube &Repairs	Material Cost	Custom/ Rent		
Preharvest:								
Tillage	0.15	7.17	6.29	5.50	0.00	0.00	18.97	
Irrigation	0.00	19.80	0.00	0.00	42.68	0.00	62.48	
Applying Fertilizer	0.00	0.00	0.00	0.00	69.00	7.25	76.25	
Crop Insurance	0.00	0.00	0.00	0.00	15.00	0.00	15.00	
Irrigation Water Assessment	0.00	0.00	0.00	0.00	47.50	0.00	47.50	
Irrigation Repairs	0.00	0.00	0.00	0.00	11.66	0.00	11.66	
Seed Hauling	0.02	0.45	0.05	0.04	0.00	0.00	0.55	
Roller Harrow & Plant	0.11	5.25	3.56	3.58	19.80	0.00	32.19	
Applying Pesticides	0.04	1.74	0.74	0.26	38.72	0.00	41.46	
General Pickup Use	0.88	23.63	8.17	2.84	0.00	0.00	34.64	
Service Truck Use	0.02	0.59	0.19	0.07	0.00	0.00	0.84	
Fuel Truck Use	0.02	0.59	0.19	0.08	0.00	0.00	0.85	
<b>TOTAL PREHARVEST COSTS</b>	<b>1.23</b>	<b>59.21</b>	<b>19.19</b>	<b>12.38</b>	<b>244.36</b>	<b>7.25</b>	<b>342.38</b>	
Harvest:								
Combine	0.13	6.48	4.45	4.53	0.00	0.00	15.46	
Crop Hauling	0.00	0.00	0.00	0.00	0.00	20.70	20.70	
<b>TOTAL HARVEST COSTS</b>	<b>0.13</b>	<b>6.48</b>	<b>4.45</b>	<b>4.53</b>	<b>0.00</b>	<b>20.70</b>	<b>36.16</b>	
Interest on Operating Capital at 7.00%							10.89	
<b>TOTAL OPERATING COSTS/ACRE</b>	<b>1.36</b>	<b>65.68</b>	<b>23.64</b>	<b>16.91</b>	<b>244.36</b>	<b>27.95</b>	<b>389.44</b>	

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**TABLE 2. CONTINUED**

Operation	Operation	Cash and Labor Costs per Acre					Total Cost	Your Cost
	Time (Hrs/A)	Labor Cost	Fuel	Lube &Repairs	Material Cost	Custom/ Rent		
<b>CASH OVERHEAD:</b>								
General Overhead							10.00	
Land Rent							275.00	
Management Fee							36.00	
Property Taxes							0.00	
Property Insurance							1.56	
Investment Repairs							0.00	
<b>TOTAL CASH OVERHEAD COSTS/ACRE</b>							<b>322.56</b>	
<b>TOTAL CASH COSTS/ACRE</b>							<b>712.00</b>	
<b>NON-CASH OVERHEAD:</b>								
		Per Producing Acre		Annual Cost Capital Recovery				
Equipment		538.92		62.10			62.10	
<b>TOTAL NON-CASH OVERHEAD COSTS</b>							<b>62.10</b>	
<b>TOTAL COSTS/ACRE</b>							<b>774.10</b>	



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TABLE 3. MONTHLY COSTS PER ACRE TO PRODUCE SOFT WHITE SPRING WHEAT

	OCT 18	NOV 18	DEC 18	JAN 19	FEB 19	MAR 19	APR 19	MAY 19	JUN 19	JUL 19	AUG 19	Total
Preharvest:												
Tillage	18.97											18.97
Irrigation	5.68						5.68	17.04	19.88	14.20		62.48
Applying Fertilizer						76.25						76.25
Crop Insurance							15.00					15.00
Irrigation Water Assessment							47.50					47.50
Irrigation Repairs							11.66					11.66
Seed Hauling							0.55					0.55
Roller Harrow & Plant							32.19					32.19
Applying Pesticides								41.46				41.46
General Pickup Use	3.15	3.15	3.15	3.15	3.15	3.15	3.15	3.15	3.15	3.15	3.15	34.64
Service Truck Use	0.08	0.08	0.08	0.08	0.08	0.08	0.08	0.08	0.08	0.08	0.08	0.84
Fuel Truck Use	0.08	0.08	0.08	0.08	0.08	0.08	0.08	0.08	0.08	0.08	0.08	0.85
<b>TOTAL PREHARVEST COSTS</b>	<b>27.95</b>	<b>3.30</b>	<b>3.30</b>	<b>3.30</b>	<b>3.30</b>	<b>79.55</b>	<b>115.88</b>	<b>61.80</b>	<b>23.18</b>	<b>17.50</b>	<b>3.30</b>	<b>342.38</b>
Harvest:												
Combine											15.46	15.46
Crop Hauling											20.70	20.70
<b>TOTAL HARVEST COSTS</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>36.16</b>	<b>36.16</b>
Interest on Operating Capital @7.00%	0.16	0.18	0.20	0.22	0.24	0.70	1.38	1.74	1.88	1.98	2.21	10.89
<b>TOTAL OPERATING COSTS/ACRE</b>	<b>28.11</b>	<b>3.49</b>	<b>3.50</b>	<b>3.52</b>	<b>3.54</b>	<b>80.26</b>	<b>117.26</b>	<b>63.54</b>	<b>25.06</b>	<b>19.48</b>	<b>41.67</b>	<b>389.44</b>
CASH OVERHEAD												
General Overhead	0.91	0.91	0.91	0.91	0.91	0.91	0.91	0.91	0.91	0.91	0.91	10.00
Land Rent						275.00						275.00
Management Fee	3.27	3.27	3.27	3.27	3.27	3.27	3.27	3.27	3.27	3.27	3.27	36.00
Property Taxes												0.00
Property Insurance							1.56					1.56
Investment Repairs	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>TOTAL CASH OVERHEAD COSTS</b>	<b>4.18</b>	<b>4.18</b>	<b>4.18</b>	<b>4.18</b>	<b>4.18</b>	<b>279.18</b>	<b>5.74</b>	<b>4.18</b>	<b>4.18</b>	<b>4.18</b>	<b>4.18</b>	<b>322.56</b>
<b>TOTAL CASH COSTS/ACRE</b>	<b>32.30</b>	<b>7.67</b>	<b>7.69</b>	<b>7.71</b>	<b>7.73</b>	<b>359.44</b>	<b>123.00</b>	<b>67.72</b>	<b>29.24</b>	<b>23.66</b>	<b>45.85</b>	<b>712.00</b>

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TABLE 4. HOURLY EQUIPMENT COSTS

Yr	Description	Soft White Spring Wheat	Total	Cash Overhead			Operating		Total Oper.	Total Costs/Hr.
		Hours Used	Hours Used	Capital Recovery	Insurance	Taxes	Lube& Repairs	Fuel		
19	4-wheeler	73	150	4.29	0.12	0.00	0.74	1.08	1.82	6.23
19	Grain Drill - 24'	60	65	59.62	1.46	0.00	7.00	0.00	7.00	68.08
19	Pickup 1 - 3/4 ton	138	750	9.33	0.17	0.00	3.70	10.82	14.52	24.02
19	Pickup 2 - 3/4 ton	138	750	9.33	0.17	0.00	3.70	10.82	14.52	24.02
19	Tractor 2 -200hp	66	500	26.05	0.82	0.00	12.49	29.61	42.10	68.98
19	Truck 1P 10-Wheeler	9	370	21.60	0.61	0.00	2.66	3.15	5.81	28.02
19	Tractor - 125hp	22	200	38.60	1.22	0.00	4.68	18.48	23.16	62.98
19	Tractor - 250hp	90	500	35.54	1.12	0.00	16.73	38.34	55.07	91.74
19	Disk-Ripper 13'	82	165	29.20	0.71	0.00	18.44	0.00	18.44	48.35
19	Roller Harrow 24'	60	125	41.25	1.09	0.00	12.09	0.00	12.09	54.43
19	Combine 25' Grain	82	225	170.08	3.98	0.00	30.58	30.00	60.58	234.64
19	Sprayer - 50' 200 gal	20	100	4.69	0.12	0.00	1.95	0.00	1.95	6.76
19	Pickup 3 - 3/4 ton	66	325	13.27	0.34	0.00	3.70	10.82	14.52	28.14
19	Pickup 4 - 3/4 ton	66	325	13.27	0.34	0.00	3.70	10.82	14.52	28.14
19	Service Truck	12	80	41.85	1.24	0.00	3.16	8.75	11.91	55.00
19	Fuel Truck	12	80	52.27	1.52	0.00	3.61	8.75	12.36	66.14

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TABLE 5. WHOLE FARM ANNUAL EQUIPMENT, INVESTMENT, AND BUSINESS OVERHEAD COSTS

ANNUAL EQUIPMENT COSTS

Yr	Description	Price	Yrs Life	Salvage Value	Capital Recovery	Cash Overhead		Total
						Insur- ance	Taxes	
19	4-wheeler	6,000.00	10	1,772.31	714.62	19.43	0.00	734.05
19	Grain Drill - 24'	37,000.00	12	5,124.74	4,305.78	105.31	0.00	4,411.09
19	Pickup 1 - 3/4 ton	42,000.00	5	13,750.00	7,771.98	139.38	0.00	7,911.36
19	Pickup 2 - 3/4 ton	42,000.00	5	13,750.00	7,771.98	139.38	0.00	7,911.36
19	Tractor 2 -200hp	162,000.00	20	20,786.46	14,474.76	456.97	0.00	14,931.72
19	Truck 1P 10-Wheeler	97,000.00	20	4,000.00	8,878.70	252.50	0.00	9,131.20
19	Tractor - 125hp	96,000.00	20	12,317.90	8,577.63	270.79	0.00	8,848.43
19	Tractor - 250hp	221,000.00	20	28,356.84	19,746.43	623.39	0.00	20,369.82
19	Disk-Ripper 13'	46,000.00	12	6,371.30	5,353.13	130.93	0.00	5,484.06
19	Roller Harrow 24'	55,000.00	15	5,280.35	5,729.49	150.70	0.00	5,880.19
19	Combine 25' Grain	335,000.00	10	63,191.32	42,518.85	995.48	0.00	43,514.33
19	Sprayer - 50' 200 gal	5,000.00	15	480.03	520.86	13.70	0.00	534.56
19	Pickup 3 - 3/4 ton	42,000.00	12	7,500.00	4,792.18	123.75	0.00	4,915.93
19	Pickup 4 - 3/4 ton	42,000.00	12	7,500.00	4,792.18	123.75	0.00	4,915.93
19	Service Truck	41,000.00	20	3,000.00	3,720.03	110.00	0.00	3,830.03
19	Fuel Truck	51,000.00	20	3,000.00	4,645.70	135.00	0.00	4,780.70
TOTAL		1,320,000.00	-	196,181.27	144,314.30	3,790.45	0.00	148,104.75
90% of New Cost*		1,188,000.00	-	176,563.15	129,882.87	3,411.41	0.00	133,294.28

\*Used to reflect a mix of new and used equipment

ANNUAL INVESTMENT COSTS

Description	Price	Yrs Life	Salvage Value	Capital Recovery	Cash Overhead			Total
					Insur- ance	Taxes	Repairs	
INVESTMENT								
TOTAL INVESTMENT	0.00	-	0.00	0.00	0.00	0.00	0.00	0.00

ANNUAL BUSINESS OVERHEAD COSTS

Description	Units/ Farm	Unit	Price/ Unit	Total Cost
General Overhead	550	acre	10.00	5,500.00
Land Rent	550	acre	275	151,250.00
Management Fee	550	acre	36.00	19,800.00

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**TABLE 6. RANGING ANALYSIS - SOFT WHITE SPRING WHEAT**

COSTS PER ACRE AND PER BU AT VARYING YIELDS TO PRODUCE SOFT WHITE SPRING WHEAT

	YIELD(BU)						
	100.00	105.00	110.00	115.00	120.00	125.00	130.00
<b>OPERATING COSTS/ACRE:</b>							
Preharvest	342.38	342.38	342.38	342.38	342.38	342.38	342.38
Harvest	33.46	34.36	35.26	36.16	37.06	37.96	38.86
Interest on Operating Capital @ 7.00%	10.88	10.88	10.89	10.89	10.90	10.91	10.91
<b>TOTAL OPERATING COSTS/ACRE</b>	<b>386.72</b>	<b>387.63</b>	<b>388.53</b>	<b>389.44</b>	<b>390.34</b>	<b>391.25</b>	<b>392.15</b>
<b>TOTAL OPERATING COSTS/BU</b>	<b>3.87</b>	<b>3.69</b>	<b>3.53</b>	<b>3.39</b>	<b>3.25</b>	<b>3.13</b>	<b>3.02</b>
<b>CASH OVERHEAD COSTS/ACRE</b>	<b>322.56</b>	<b>322.56</b>	<b>322.56</b>	<b>322.56</b>	<b>322.56</b>	<b>322.56</b>	<b>322.56</b>
<b>TOTAL CASH COSTS/ACRE</b>	<b>709.28</b>	<b>710.19</b>	<b>711.09</b>	<b>712.00</b>	<b>712.90</b>	<b>713.81</b>	<b>714.71</b>
<b>TOTAL CASH COSTS/BU</b>	<b>7.09</b>	<b>6.76</b>	<b>6.46</b>	<b>6.19</b>	<b>5.94</b>	<b>5.71</b>	<b>5.50</b>
<b>NON-CASH OVERHEAD COSTS/ACRE</b>	<b>62.10</b>	<b>62.10</b>	<b>62.10</b>	<b>62.10</b>	<b>62.10</b>	<b>62.10</b>	<b>62.10</b>
<b>TOTAL COSTS/ACRE</b>	<b>771.38</b>	<b>772.29</b>	<b>773.19</b>	<b>774.10</b>	<b>775.00</b>	<b>775.91</b>	<b>776.81</b>
<b>TOTAL COSTS/BU</b>	<b>7.71</b>	<b>7.36</b>	<b>7.03</b>	<b>6.73</b>	<b>6.46</b>	<b>6.21</b>	<b>5.98</b>

Net Return Per Acre Above Operating Costs For Soft White Spring Wheat

PRICE (\$/bu)	YIELD (bu/acre)						
Soft White Wheat	100.00	105.00	110.00	115.00	120.00	125.00	130.00
5.15	128.28	153.12	177.97	202.81	227.66	252.50	277.35
5.40	153.28	179.37	205.47	231.56	257.66	283.75	309.85
5.65	178.28	205.62	232.97	260.31	287.66	315.00	342.35
5.90	203.28	231.87	260.47	289.06	317.66	346.25	374.85
6.15	228.28	258.12	287.97	317.81	347.66	377.50	407.35
6.40	253.28	284.37	315.47	346.56	377.66	408.75	439.85
6.65	278.28	310.62	342.97	375.31	407.66	440.00	472.35

Net Return Per Acre Above Cash Costs For Soft White Spring Wheat

PRICE (\$/bu)	YIELD (bu/acre)						
Soft White Wheat	100.00	105.00	110.00	115.00	120.00	125.00	130.00
5.15	-194.28	-169.44	-144.59	-119.75	-94.90	-70.06	-45.21
5.40	-169.28	-143.19	-117.09	-91.00	-64.90	-38.81	-12.71
5.65	-144.28	-116.94	-89.59	-62.25	-34.90	-7.56	19.79
5.90	-119.28	-90.69	-62.09	-33.50	-4.90	23.69	52.29
6.15	-94.28	-64.44	-34.59	-4.75	25.10	54.94	84.79
6.40	-69.28	-38.19	-7.09	24.00	55.10	86.19	117.29
6.65	-44.28	-11.94	20.41	52.75	85.10	117.44	149.79

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**TABLE 6. RANGING ANALYSIS CONTINUED**

Net Return Per Acre Above Total Costs For Soft White Spring Wheat

PRICE (\$/bu)	YIELD (bu/acre)						
Soft White Wheat	100.00	105.00	110.00	115.00	120.00	125.00	130.00
5.15	-256.38	-231.54	-206.69	-181.85	-157.00	-132.16	-107.31
5.40	-231.38	-205.29	-179.19	-153.10	-127.00	-100.91	-74.81
5.65	-206.38	-179.04	-151.69	-124.35	-97.00	-69.66	-42.31
5.90	-181.38	-152.79	-124.19	-95.60	-67.00	-38.41	-9.81
6.15	-156.38	-126.54	-96.69	-66.85	-37.00	-7.16	22.69
6.40	-131.38	-100.29	-69.19	-38.10	-7.00	24.09	55.19
6.65	-106.38	-74.04	-41.69	-9.35	23.00	55.34	87.69