## 2009 Costs and Returns Estimate

Southwestern Idaho: Treasure Valley Spring Wheat Neil R. Rimbey, Jerry Neufeld, and Paul Patterson

## **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 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. The cost estimate shown here is typical for growing spring wheat in southwestern Idaho. Production practices most dosely resemble those in Canyon, Payette and Owyhee 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 costs.

## The Model Farm

This costs and returns estimate models a 1,200 acre farm with 300 acres in spring wheat. In addition to spring wheat, the farm grows 300 acres of potatoes or sugarbeets, 300 acres of corn, 150 acres of dry beans or onions, and 150 acres of alfalfa seed or alfalfa hay. The farm uses a concrete ditch and siphon tube irrigation system with water delivered to the farm from an irrigation district. The district charges a flat fee per acre for water.







## Final 3/8/2010

	Quantity		Price or	Value or	
ltem \$31.50	Per Acre	Unit	Cost	Cost/Acre	
Gross Returns		\$0.00\$29	9.00		
Wheat: SWS	110	bu	\$4.55 \$	\$500.50	
Operating Inputs					
Seed:				\$31.50	
Wheat Seed: SWS	150	lb	\$0.21	\$31.50	
				\$0.00	
Fertilizer:				\$90.50	
Dry Nitrogen	135	lb	\$0.50	\$67.50	
Dry P2O5	50	lb	\$0.46	\$23.00	
				\$0.00	
				\$0.00	
				\$0.00	
				\$0.00	
Pesticides:				\$21.88	
Starane Ultra	0.5	pt	\$29.00	\$14.50	
Affinity Broadspec 50SG	0.6	oz	\$11.05	\$6.63	
Non-ionia2rPur553 -1.25 TD(\$0.00	)TjTT4 1.0005 <mark>Tc</mark>	.0003 Tw10 T			)-9717(0).685i.0139 TD0009

Land *		
Table 1. 2009 Irrigate	Soft White Spring Wheat Southwestern Idaho.	

Final 3/8/2010

Land * Item	Quantity Per Acre	Unit	Price or Cost	Value or Cost/Acre
Ownership Costs:				
Tractors & Equipment Insurance				\$1.20
Tractors & Equipment Depreciation				\$51.00
Irrigation Equipment Depreciation Land *	& Interest			¢175.00
Overhead				\$175.00 \$15.00
Management Fee				\$30.00
Management ree				φ00.00
Total Ownership Costs				\$272.20
Ownership Costs per Unit				\$2.47
Total Costs per Acre				\$646.13
Total Cost per Unit				\$5.87
Returns to Risk				-\$145.63
Notes:				
* Includes irrigation system owner	shin costs			
molados inigation system owner				
Brookovon Analysia		Base		
Breakeven Analysis:	- 10%	Dase	+ 10%	
	1070	Yield	1070	
Price	99	110	121	