



# **Y/E 2014 LH Crop Benchmarking & 2015 Russell & LH Projections**

**FBS Conference  
September 2, 2015**

**John McNutt, MBA  
Moe Russell**

Latta, Harris, Hanon & Penningroth LLP  
2014 Corn Comparative Cost of Production

Sorted by Cost/Bushel before Storage,G&A & Crop Insurance

Total Planted Acres this Report	26,017
Total Bushels this Report	5,039,033

Acres Range	Farm Code	\$ / Acre				\$/Acre	\$/Acres					\$/Acre	Total Cost of Production before Storage, G&A & Crop Ins	2014 Average Yield per Acre	SORTED Total Cost of Production before Storage, G&A & Ins. / bushel	\$/Acre	\$/Acre	\$/Acre	\$/Acre	\$/Bu
		Total Seed	Total Fertilizer	Total Chemicals	Total Input Cost (a)		Net Land Cost (b)	Total Labor Costs	Total Fuel Costs	Total Machine Costs	Custom Work (Income) Expense									
<1,100	9	114	94	79	306	65	-	-	65	-	65	-	436	185	\$ 2.38	65	40	21	564	\$ 3.05
<1,100	7	140	117	80	336	161	-	-	108	-	108	60	665	205	\$ 3.24	105	12	23	805	\$ 3.92
<1,100	5	103	138	19	267	240	53	31	132	(9)	206	-	713	215	\$ 3.32	45	20	32	810	\$ 3.77
<1,100	13	113	123	48	284	285	81	19	124	(120)	104	(6)	667	199	\$ 3.35	23	32	15	738	\$ 3.71
<1,100	11	137	207	99	443	103	101	27	117	-	245	-	791	231	\$ 3.43	63	27	19	900	\$ 3.90
>1,100	6	103	137	59	302	226	57	23	96	-	176	3	708	206	\$ 3.44	57	23	30	818	\$ 3.97
>1,100	19	123	150	51	324	226	54	32	117	(29)	174	13	737	203	\$ 3.63	63	11	19	829	\$ 4.08
>1,100	10	127	128	87	342	238	24	40	104	-	168	-	748	203	\$ 3.69	17	7	46	818	\$ 4.02
<1,100	2	106	126	99	335	179	50	21	122	-	193	19	726	197	\$ 3.70	36	17	84	863	\$ 4.39
Average		117	140	66	325	227	57	27	114	(12)	180	8	739	200	\$ 3.72	49	20	28	836	\$ 4.20
>1,100	15	131	105	64	301	293	67	56	103	-	227	-	821	215	\$ 3.83	26	10	22	879	\$ 4.09
<1,100	3	124	154	39	317	259	24	27	60	-	112	-	688	173	\$ 3.97	28	20	2	738	\$ 4.26
>1,100	8	91	187	79	345	272	72	-	141	-	213	4	834	189	\$ 4.41	79	24	12	947	\$ 5.01
ISU -14 Act					308	287	35		153		187		782	177	\$ 4.42				782	\$ 4.42
>1,100	1	103	127	61	298	346	48	26	90	-	165	4	812	183	\$ 4.43	65	21	61	959	\$ 5.23
U of IL Act		123	174	65	362	294	50		189		239	55	950	205	\$ 4.63	41	54		1,045	\$ 5.10
>1,100	12	135	165	62	357	280	107	44	211	-	362	15	1,014	191	\$ 5.32	12	22	7	1,055	\$ 5.53

- (a) Total input costs is the sum of seed, fertilizer, chemicals, crop consulting and other normalization adjustments, including credits for returns and coop dividends
- (b) Net Land Costs is the total of cash rents, interest payments for land, landlord crop share operations cost, conservation cost, credits for government program payments and Irrigation Costs
- (c) Total operations cost is the sum of labor, fuel and machine costs as well as other normalization adjustments including credits and costs reducers, such as custom work.

Latta, Harris, Hanon & Penningroth LLP  
2014 Comparative Cost of Production for Soybeans

Sorted by Cost/Bushel before Storage,G&A & Crop Insurance	Total Planted Acres this Report	9,757
	Total Bushels this Report	600,500

Acre Range	Farm Code	\$ / Acre				\$/Acre	\$/Acres					\$/Acre	Total Cost of Production before Storage, G&A & Crop Ins	Average Yield per Acre	SORTED Total Cost of Production before Storage, G&A & Crop Insurance	\$/Acre	\$/Acre	\$/Acre	\$/Acre	\$/Bu
		Total Seed	Total Fertilizer	Total Chemicals	Total Input Cost (a)		Net Land Cost (b)	Total Labor Costs	Total Fuel Costs	Total Machine Costs	Less Custom Work Income									
<660	7	66		80	146	161			108		108	43	458	64	\$ 7.14		12	18	488	\$ 7.61
<660	3	49	-	59	108	189	24	27	60	-	112	-	409	58	\$ 7.03	17	20	1	449	\$ 7.71
>660	10	53	-	33	86	238	24	40	104	-	168	-	492	67	\$ 7.39	3	7	46	548	\$ 8.22
<660	11	66	43	34	143	103	101	27	117	-	245	-	491	65	\$ 7.57	18	27	14	550	\$ 8.47
<660	5	50	48	26	124	166	52	31	132	(7)	206	-	496	62	\$ 8.02	10	17	22	545	\$ 8.80
<660	6	61	20	28	115	204	57	23	96	-	176	3	498	60	\$ 8.29	9	23	30	560	\$ 9.32
>660	2	63	67	42	175	179	50	21	122	-	193	19	566	62	\$ 9.20	5	17	55	644	\$ 10.45
	Average	59	43	48	147	222	54	26	106	(14)	166	6	542	60	\$ 9.22	14	18	26	599	\$ 10.20
>660	8	43	74	81	192	272	41	-	123	-	164	3	631	68	\$ 9.28	28	24	12	693	\$ 10.20
>660	19	84	53	44	180	226	54	32	117	(29)	174	13	593	57	\$ 10.46	17	11	19	641	\$ 11.30
	ISU -2014				156	287	29		85		114		557	50	\$ 11.13				557	\$ 11.13
<660	13	55	67	54	176	285	81	19	124	(120)	104	(6)	559	50	\$ 11.15	4	32	15	611	\$ 12.19
	IL -2014	71	44	39	154	294	44		151		195	46	689	61	\$ 11.30	4	52		745	\$ 12.21
>660	15	64	52	50	168	293	67	56	103	-	227	-	688	58	\$ 11.77	7	10	22	727	\$ 12.43
>660	1	66	54	45	172	346	42	10	64	-	116	2	636	47	\$ 13.63	32	21	56	746	\$ 15.99

- (a) Total input costs is the sum of seed, fertilizer, chemicals, crop consulting and other normalization adjustments, including credits for returns and coop dividends
- (b) Net Land Costs is the total of cash rents, interest payments for land, landlord crop share operations cost, conservation cost, credits for government program payments and Irrigation Costs
- (c) Total operations cost is the sum of labor, fuel and machine costs as well as other normalization adjustments including credits and costs reducers, such as custom work.

Latta, Harris, Hanon & Penningroth LLP & Russell Consulting Group  
 2015 Projected - Cost of Production per Acre -& Projected Profit (Loss) / Acre

Corn Soybeans

PAGE 1 of 2

Total Projected Planted Acres this Report: 106,975

Estimated Market Prices: \$4.00 \$9.80

Not IA & IL		Top 20%, Bottom 20%										\$/Acre				\$/Acre		Target Yield		\$/Acre	SORTED
Size Range	Farm Code	SEED	CHEM	FERT	Inputs (a)	Land (b)	Labor	Fuel	Machine	Total Operations (c)	Interest	Total \$/A b4 other	Drying	Misc.	Crop Insurance	Total Cost/Acre	Yield Corn bu / a	Yield SB bu / a	Total Crop Rev. Per Acre	Estimated Profit/ Acre	
<1200	153	44	22	8	74	81	64	15	76	155	1	312	9	58	10	388	180	52	604	216	
<1200	505	75	50	73	198	85	48	21	49	117	6	406	-	-	10	416	145	48	524	108	
>1200	11	83	50	33	165	270	40	10	26	76	7	518	4	6	20	548	185	52	621	73	
<1200	113	78	75	30	183	148	60	12	56	128	4	463	11	20	-	494	185	45	560	66	
<1200	3	86	70	96	252	145	76	9	56	142	11	551	5	21	30	607	195	58	670	63	
>1200	16	82	27	73	181	214	34	23	50	107	1	504	11	10	17	541	170	52	599	58	
<1200	171	79	47	140	267	271	21	-	63	84	10	632	-	27	18	676	215	60	729	53	
>1200	22	87	38	71	196	219	67	16	77	161	19	595	13	28	12	648	200	58	693	45	
>1200	160	64	44	110	217	109	39	21	86	146	21	494	-	36	25	554	165	51	597	43	
<1200	7	85	34	72	192	110	68	29	100	197	5	499	5	31	27	563	180	50	602	39	
>1200	155	95	34	40	169	190	68	31	110	210	8	576	2	13	26	617	200	54	656	39	
>1200	151	112	60	146	318	197	16	24	107	147	-	662	29	12	18	721	195	62	734	13	
>1200	13	97	43	87	227	204	114	50	95	259	3	692	-	21	37	750	195	55	756	6	
>1200	112	76	45	130	251	245	25	20	107	152	5	653	6	8	16	683	185	60	689	6	
<1200	2	70	83	40	193	189	48	25	55	127	2	512	7	41	18	577	180	55	577	-	
>1200	28	99	82	105	286	207	29	23	88	141	4	638	9	17	31	695	200	60	693	(2)	
>1200	23	102	21	127	250	280	51	16	79	146	9	685	8	20	17	730	192	58	727	(3)	
>1200	6	80	40	43	163	256	40	13	58	111	24	555	4	9	15	582	170	50	579	(3)	
<1200	27	55	57	68	180	107	44	15	76	135	16	438	6	27	15	485	140	45	479	(6)	
>1200	19	75	31	119	225	305	45	11	78	134	21	685	8	24	21	738	212	62	732	(6)	
>1200	165	72	95	-	167	323	62	26	84	172	3	666	3	18	32	719	206	59	713	(6)	
<1200	167	104	30	120	254	121	53	21	122	196	4	574	32	56	23	685	180	55	679	(6)	
>1200	30	97	39	11	147	280	32	19	110	161	13	601	-	7	30	638	180	50	625	(13)	
<1200	31	105	30	29	164	202	41	25	136	202	26	593	11	41	15	661	190	55	647	(14)	
>1200	503	99	50	88	237	197	40	18	135	193	5	632	-	13	-	645	185	53	629	(16)	
<1200	8	75	70	66	211	221	40	10	99	149	14	595	8	12	20	635	180	52	614	(21)	
>1200	172	68	49	97	214	190	76	17	58	151	11	566	11	23	9	609	173	50	588	(21)	
>1200	303	84	63	85	232	24	21	35	84	140	5	401	2	24	31	458	135	36	434	(24)	
<1200	116	58	42	94	194	185	53	24	239	316	-	695	14	12	22	743	200	60	715	(28)	
>1200	169	91	36	129	257	260	47	19	78	144	34	695	27	14	15	750	195	56	721	(29)	
>1200	32	86	36	63	185	251	43	11	116	170	10	616	7	37	20	680	180	55	649	(31)	
<1200	115	78	32	50	160	230	90	25	49	164	22	576	9	20	30	635	185	45	601	(34)	
Russell Average		88	53	92	234	209	51	21	101	173	11	626	10	24	22	683	183	53	\$ 645	\$ (38)	
<1200	402	79	53	111	244	191	21	19	92	132	1	568	3	27	-	598	175	50	558	(40)	
<1200	504	77	80	80	236	180	74	21	95	189	-	605	-	59	24	687	180	55	645	(42)	
<1200	154	106	94	164	364	253	21	-	114	135	26	778	26	16	26	846	200	-	800	(46)	
Estimate Illinois		105	52	107	264	246	17	23	118	158	11	679	27	8	23	737	196	57	690	(47)	
Estimate Iowa State		94	99	37	230	273	29	-	84	113	9	625	25	10	13	673	180	50	624	(49)	

Total Projected Planted Acres this Report: 106,975

Estimated Market Prices: \$4.00 \$9.80

Not IA & IL					Top 20% , Bottom 20%							\$/Acre				\$/Acre		Target Yield		\$/Acre		SORTED
Size Range	Farm Code	SEED	CHEM	FERT	Inputs (a)	Land (b)	Labor	Fuel	Machine	Total Operations (c)	Interest	Total \$/A b4 other	Drying	Misc.	Crop Insurance	Total Cost/Acre	Yield Corn bu / a	Yield SB bu / a	Total Crop Rev. Per Acre	Estimated Profit/ Acre		

PAGE 2 of 2

>1200	104	96	43	127	266	195	52	19	62	133	16	610	22	16	28	676	160	42	618	(58)
>1200	201	148	57	95	300	189	25	10	18	53	18	560	3	-	21	584	145	47	523	(61)
<1200	114	107	84	111	302	72	46	24	138	208	2	584	31	31	41	687	175	55	621	(66)
>1200	18	63	28	70	160	304	28	10	185	224	10	698	8	40	27	773	200	60	705	(68)
<1200	111	98	51	123	272	209	43	16	123	182	10	673	19	32	23	747	175	50	678	(69)
<1200	301	82	54	95	231	201	118	15	105	238	20	690	8	47	20	765	200	55	692	(73)
<1200	14	91	74	68	232	285	13	60	113	186		703	5	34	36	778	200	60	698	(80)
<1200	100	99	45	111	255	232	64	20	122	206	10	703	7	29	27	766	190	45	682	(84)
>1200	170	73	66	93	232	287	42	16	90	148	2	669	1	61	28	760	193	55	675	(85)
>1200	158	81	31	78	191	222	56	40	133	228	11	652	9	17	17	695	180	47	592	(103)
>1200	150	87	58	112	257	220	105	25	78	208	3	688	11	3	25	727	179	53	621	(106)
>1200	202	143	86	144	373	202	12	18	23	53	20	648	2	-	21	671	165	48	564	(107)
<1200	173	106	91	162	359	280	41	31	118	190	10	839	26	20	26	911	200	800	(111)	
<1200	105	100	45	79	224	282	70	24	75	169	22	697	5	24	25	751	185	50	625	(126)
>1200	166	87	58	131	276	361	72	33	99	205	38	880	4	26	17	927	223	64	799	(128)
>1200	117	112	43	99	254	206	76	34	159	269	17	746	20	23	31	820	180	55	668	(152)
<1200	1	65	67	115	247	181	46	46	238	329	7	763	11	25	30	829	180	60	666	(163)
<1200	302	78	70	154	302	162	84	5	97	186	16	666	14	75	34	789	180	53	612	(177)
<1200	110	71	42	105	218	226	86	23	207	316	4	763	12	28	31	834	180	55	646	(188)
<1200	107	124	67	166	357	112	50	16	172	238	-	707	40	14	35	796	170	45	583	(213)
>1200	200	122	78	141	341	338	42	-	171	213	14	906	3	-	23	933	180	55	667	(266)

Russell Costs

Average 2015	234	209	51	21	101	173	11	626	10	24	22	683
Average 2014	223	188	54	28	111	193	10	613	11	34	28	686
Average 2013	221	208	54	21	99	174	9	612	6	10	33	661
Average 2012	223	223	46	20	108	174	13	633	14	32	38	717
Average 2011	192	205	48	19	102	169	14	580	20	16	35	651

- (a) Total input costs is the sum of seed, fertilizer, chemicals, crop consulting and other normalization adjustments, including credits for returns and coop dividends
- (b) Net Land Costs is the total of cash rents, interest payments for land, landlord crop share operations cost, conservation cost and credits for government program payments
- (c) Total operations cost is the sum of labor, fuel and machine costs as well as other normalization adjustments including credits and costs.
- (d) ISU & ILL Estimates based 58.3% corn & 41.7% beans, Russell 2015 Average 58.3% Corn, 41.7% SoyBeans

Sorted by Cost/Bushel before Storage,G&A & Crop Insurance

Acres	\$ / Acre				\$/Acre	\$/Acres					\$/Acre	Total Cost of Production before Storage, G&A & Crop Ins	2014 Average Yield per Acre	SORTED	\$/Acre	\$/Acre	\$/Acre	\$/Acre	\$/Bu	\$/Bu
	Total Seed	Total Fertilizer	Total Chemicals	Total Input Cost (a)	Net Land Cost (b)	Total Labor Costs	Total Fuel Costs	Total Machine Costs	Custom Work (Income) Expense	Total Operations Cost (c)	Total Interest Costs			Total Cost of Production before Storage, G&A & Crop Ins	2014 Average Yield per Acre	Total Cost of Production before Storage, G&A & Ins. / bushel	Drying Costs	Misc. & G&A	Crop Insurance	Total COP per Acre

2015 LH Clients Corn Projected Cost of Production

<1,100	92	118	45	264	233	39	25	132	(31)	166	24	687	182	\$ 3.78	8	24	38	757	\$ 4.16	\$ (29)
>1,100	106	129	45	284	241	72	18	105	(118)	78	(8)	595	190	\$ 3.13	13	35	19	661	\$ 3.48	\$ 99
>1,100	120	125	40	297	285	45	20	101		166	20	768	190	\$ 4.04	42	25	60	895	\$ 4.71	\$ (135)
>1,100	105	160	60	330	198	45	15	120		180	30	738	165	\$ 4.47	30	20	55	843	\$ 5.11	\$ (183)
ISU -15 proj	116	126	36	278	273	34		99		133	11	695	180	\$ 3.86	44	10	14	763	\$ 4.24	\$ (43)
U of IL proj	124	145	60	329	261	18	24	117		159	11	760	196	\$ 3.88	38	8	27	833	\$ 4.25	\$ (49)

2015 LH Clients Soybean Projected Cost of Production

<1,100	50		45	104	233	39	25	132	(12)	185	24	546	57	\$ 9.58	3	24	-	573	\$10.04	\$ (14)
>1,100	54	69	48	175	241	72	18	105	(118)	78	(8)	485	51	\$ 9.52	4	35	24	548	\$10.74	\$ (48)
>1,100	70	50	45	177	285	35	10	63		108	13	583	60	\$ 9.72	27	20	50	680	\$11.33	\$ (92)
>1,100	65	60	60	190	193	45	15	80		140	30	553	60	\$ 9.22	15	20	45	633	\$10.55	\$ (45)
ISU -15 proj	63	60	40	163	273	23		63		86	6	528	50	\$ 10.56		10	9	547	\$10.94	\$ (57)
U of IL proj	78	53	40	171	225	16	21	120		157	10	563	57	\$ 9.88	38	8	27	636	\$11.16	\$ (77)

Per Acre Compare , 58.3% Corn, 41.7% Soybeans

Avg LHHP	86	103	48	239	239	49	19	106	(70)	139	16	632			19	25	38	714		\$ (57)
Russell Avg	88	53	92	234	209	51	21	101		173	11	627			10	24	22	683		\$ (38)
Variance				5	30	(2)	(2)	5	(70)	(33)	5	6			9	1	16	31		\$ (19)

- (a) Total input costs is the sum of seed, fertilizer, chemicals, crop consulting and other normalization adjustments, including credits for returns and coop dividends
- (b) Net Land Costs is the total of cash rents, interest payments for land, landlord crop share operations cost, conservation cost, credits for government program payments and Irrigation Costs
- (c) Total operations cost is the sum of labor, fuel and machine costs as well as other normalization adjustments including credits and costs reducers, such as custom work.

**Latta, Harris, Hanon & Penningroth LLP & Russell Consulting Group**  
**2015 Projected - Cash Flow per Acre**

Not IA & IL								SORTED
Size Range	Farm Code	Estimated Profit/ Acre	Non Crop Rev/Acre	Standard Rev/Acre	Add Back Depr	Less Bldg Equip Term Principal	Less Land Term Principal	Std Cash/Acre
<1200	107	(213)	1,659	1,446	78			1,524
<1200	113	66	611	677	14			691
<1200	111	(69)	501	432	55			487
<1200	116	(28)	40	12	161		(5)	168
<1200	153	216	59	275	57	(71)	(94)	167
<1200	402	(40)	200	160	54	(42)	(40)	132
<1200	505	108		108	16			124
<1200	154	(46)	113	67	95	(59)		103
>1200	22	45	72	117	37	(49)	(4)	101
>1200	28	(2)	81	79	58	(22)	(21)	94
>1200	112	6	6	6	78			84
>1200	160	43	32	75	68		(61)	82
>1200	16	58	18	76	35	(35)		76
<1200	2	-	72	72	45	(37)	(7)	72
>1200	503	(16)		(16)	85			69
<1200	7	39	32	71	57		(59)	69
<1200	3	63		63	31		(36)	58
<1200	171	53		53	-			53
>1200	151	13	60	73	62	-	(89)	46
<1200	114	(66)	13	(53)	97			44
<1200	8	(21)	62	41	40	(40)		41
>1200	11	73		73	21		(56)	38
<1200	173	(111)	113	2	92	(47)	(11)	36
>1200	18	(68)	129	61	70	(95)		35
<1200	110	(188)	63	(125)	159			34
>1200	13	6	59	65	31	(25)	(41)	30
<1200	167	(6)		(6)	64		(28)	30
>1200	172	(21)	13	(8)	32			24
>1200	155	39	7	46	50		(75)	22
<1200	302	(177)	271	94	50	(30)	(97)	17
>1200	169	(29)	37	8	61	(49)	(8)	12
<1200	27	(6)	55	49	38	(76)		11
<1200	301	(73)	43	(30)	66	(26)	-	10
>1200	303	(24)	27	3	47	(43)	-	7
>1200	150	(106)	58	(48)	54			6
>1200	19	(6)	34	28	32	(55)		5
>1200	158	(103)	61	(42)	56	(3)	(9)	2
>1200	23	(3)	42	39	35	(64)	(10)	1
<1200	14	(80)	40	(40)	61		(20)	0
<1200	504	(42)		(42)	41			(1)
>1200	104	(58)	5	(53)	42			(11)
>1200	6	(3)	6	3	19	(27)	(15)	(20)
>1200	30	(13)	49	36	39	(40)	(58)	(24)
>1200	32	(31)	39	8	14	(56)		(34)
>1200	170	(85)	21	(64)	40	(9)	(7)	(40)
>1200	165	(6)	3	(3)	27		(82)	(57)
>1200	201	(61)		(61)	-	-	-	(61)
<1200	31	(14)	108	94	91	(175)	(81)	(71)
<1200	105	(126)	-	(126)	46			(80)
<1200	100	(84)		(84)	28		(29)	(85)
>1200	117	(152)	37	(115)	40		(21)	(96)
>1200	202	(107)		(107)	-	-	-	(107)
>1200	166	(128)	136	8	70	(252)	(78)	(252)
>1200	200	(266)		(266)	-	-	-	(266)
<1200	1	(163)	5	(158)	54	(135)	(28)	(268)