

Calculation of Payments for the Agricultural Act of 2014; "Farm Bill"

Minnesota Farm Bill Analysis, Making the Decision
Sponsored by AgQuest Insurance

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Disclaimer

- This information is based on my understanding of the 2014 Farm Bill
- This information is intended for educational purposes only
- Keep checking www.AgManager.info for updated information

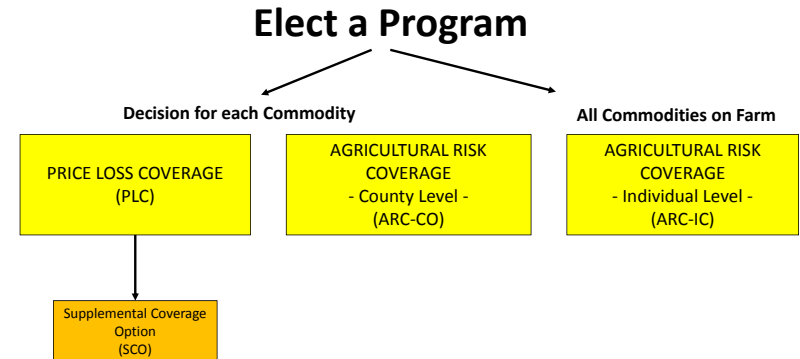


Decisions to be made...

- Update your program yields on base acres (2008-2012)
 - New yields would be 90% of updated average (with plug yields)
 - Can increase your program payments in PLC
 - If audited, will require proof (e.g. crop insurance records)
 - If updated yield is higher than previous program yield= UPDATE!
- Reallocate your program base acres (2009-2012)
 - If you have been planting a different crop/rotation than your base, can reallocate
 - Cannot increase base
 - Two strategies: Align payments with risk, maximize payments



Decisions to be made...



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PLC vs. ARC-CO

County: **Wright** Type: **All** ARC
 5 Yr. Olympic Avg. County Yield **157.7** Program Yield **157.7**
 5 Yr. Olympic Avg. MYA Price \$5.29 Reference Price \$3.70
 Benchmark Revenue \$834.23 **PLC > ARC-Co, @ \$3.17**

Wright Corn

	Yields		ARC Payment							
	MYA Price	PLC Pymt	94	104	115	128	142	158	174	190
ARC-CO Coverage at \$5.29/bu X 86% X Approved County Yield bu. 157.7	\$5.03	\$0.00	\$83.42	\$83.42	\$83.42	\$73.60	\$3.18	\$0.00	\$0.00	\$0.00
ARC-CO payment maxes out at per ac @ \$83.42	\$4.90	\$0.00	\$83.42	\$83.42	\$83.42	\$83.42	\$21.64	\$0.00	\$0.00	\$0.00
PLC > ARC-CO with average yield > PLC unless prices fall below \$3.17	\$4.55	\$0.00	\$83.42	\$83.42	\$83.42	\$83.42	\$71.34	\$0.00	\$0.00	\$0.00
Units are \$/acre; payment is only on 85% of base acres	\$4.35	\$0.00	\$83.42	\$83.42	\$83.42	\$83.42	\$83.42	\$30.14	\$0.00	\$0.00
	\$4.15	\$0.00	\$83.42	\$83.42	\$83.42	\$83.42	\$83.42	\$61.74	\$0.00	\$0.00
	\$3.96	\$0.00	\$83.42	\$83.42	\$83.42	\$83.42	\$83.42	\$83.42	\$28.40	\$0.00
	\$3.78	\$0.00	\$83.42	\$83.42	\$83.42	\$83.42	\$83.42	\$83.42	\$59.72	\$0.00
	\$3.61	\$14.19	\$83.42	\$83.42	\$83.42	\$83.42	\$83.42	\$83.42	\$83.42	\$31.54
	\$3.45	\$39.43	\$83.42	\$83.42	\$83.42	\$83.42	\$83.42	\$83.42	\$83.42	\$61.94
	\$3.29	\$64.66	\$83.42	\$83.42	\$83.42	\$83.42	\$83.42	\$83.42	\$83.42	\$83.42
	\$3.14	\$88.31	\$83.42	\$83.42	\$83.42	\$83.42	\$83.42	\$83.42	\$83.42	\$83.42
	\$3.00	\$110.39	\$83.42	\$83.42	\$83.42	\$83.42	\$83.42	\$83.42	\$83.42	\$83.42
	\$2.87	\$130.89	\$83.42	\$83.42	\$83.42	\$83.42	\$83.42	\$83.42	\$83.42	\$83.42
	\$2.74	\$151.39	\$83.42	\$83.42	\$83.42	\$83.42	\$83.42	\$83.42	\$83.42	\$83.42



PLC vs. ARC-CO

County: **Wright** Type: **All** ARC
 5 Yr. Olympic Avg. County Yield **41.3** Program Yield **41.3**
 5 Yr. Olympic Avg. MYA Price \$12.28 Reference Price \$8.40
 Benchmark Revenue \$507.16 **PLC > ARC-Co, @ \$7.17**

Wright Soybeans

	Yields		ARC Payment							
	MYA Price	PLC Pymt	24	27	30	33	37	41	45	49
ARC-CO Coverage at \$12.27/bu X 86% X Approved County Yield bu. 41.3	\$11.67	\$0.00	\$50.72	\$50.72	\$50.72	\$50.72	\$50.72	\$4.37	\$0.00	\$0.00
ARC-CO payment maxes out at per ac @ \$50.72	\$11.38	\$0.00	\$50.72	\$50.72	\$50.72	\$50.72	\$50.72	\$15.10	\$0.00	\$0.00
PLC > ARC-CO with average yield > PLC unless prices fall below \$7.17	\$10.56	\$0.00	\$50.72	\$50.72	\$50.72	\$50.72	\$50.72	\$45.44	\$3.20	\$0.00
Units are \$/acre; payment is only on 85% of base acres	\$10.08	\$0.00	\$50.72	\$50.72	\$50.72	\$50.72	\$50.72	\$50.72	\$22.88	\$0.00
	\$9.63	\$0.00	\$50.72	\$50.72	\$50.72	\$50.72	\$50.72	\$50.72	\$41.33	\$2.81
	\$9.20	\$0.00	\$50.72	\$50.72	\$50.72	\$50.72	\$50.72	\$50.72	\$50.72	\$22.16
	\$8.79	\$0.00	\$50.72	\$50.72	\$50.72	\$50.72	\$50.72	\$50.72	\$50.72	\$40.61
	\$8.39	\$0.41	\$50.72	\$50.72	\$50.72	\$50.72	\$50.72	\$50.72	\$50.72	\$25.05
	\$8.01	\$16.11	\$50.72	\$50.72	\$50.72	\$50.72	\$50.72	\$50.72	\$50.72	\$43.67
	\$7.65	\$30.98	\$50.72	\$50.72	\$50.72	\$50.72	\$50.72	\$50.72	\$50.72	\$50.72
	\$7.31	\$45.02	\$50.72	\$50.72	\$50.72	\$50.72	\$50.72	\$50.72	\$50.72	\$50.72
	\$6.98	\$58.65	\$50.72	\$50.72	\$50.72	\$50.72	\$50.72	\$50.72	\$50.72	\$50.72
	\$6.67	\$71.45	\$50.72	\$50.72	\$50.72	\$50.72	\$50.72	\$50.72	\$50.72	\$50.72
	\$6.37	\$83.84	\$50.72	\$50.72	\$50.72	\$50.72	\$50.72	\$50.72	\$50.72	\$50.72



PLC vs. ARC-CO

County: **Wright** Type: **All** ARC
 5 Yr. Olympic Avg. County Yield **40.3** Program Yield **40.3**
 5 Yr. Olympic Avg. MYA Price \$6.60 Reference Price \$5.50
 Benchmark Revenue \$265.98 **PLC > ARC-Co, @ \$4.84**

Wright Wheat

	Yields		ARC Payment							
	MYA Price	PLC Pymt	23	26	29	32	36	40	44	48
ARC-CO Coverage at \$6.60/bu X 86% X Approved County Yield bu. 40.3	\$6.28	\$0.00	\$26.60	\$26.60	\$26.60	\$26.60	\$2.66	\$0.00	\$0.00	\$0.00
ARC-CO payment maxes out at per ac @ \$26.60	\$5.68	\$0.00	\$26.60	\$26.60	\$26.60	\$26.60	\$24.26	\$1.54	\$0.00	\$0.00
PLC > ARC-CO with average yield > PLC unless prices fall below \$4.84	\$5.42	\$3.22	\$26.60	\$26.60	\$26.60	\$26.60	\$26.60	\$11.94	\$0.00	\$0.00
Units are \$/acre; payment is only on 85% of base acres	\$5.18	\$12.90	\$26.60	\$26.60	\$26.60	\$26.60	\$26.60	\$21.54	\$0.82	\$0.00
	\$4.95	\$22.17	\$26.60	\$26.60	\$26.60	\$26.60	\$26.60	\$26.60	\$10.94	\$0.00
	\$4.73	\$31.03	\$26.60	\$26.60	\$26.60	\$26.60	\$26.60	\$26.60	\$20.62	\$1.70
	\$4.52	\$39.49	\$26.60	\$26.60	\$26.60	\$26.60	\$26.60	\$26.60	\$26.60	\$11.78
	\$4.32	\$47.55	\$26.60	\$26.60	\$26.60	\$26.60	\$26.60	\$26.60	\$26.60	\$21.38
	\$4.13	\$55.21	\$26.60	\$26.60	\$26.60	\$26.60	\$26.60	\$26.60	\$26.60	\$26.60
	\$3.94	\$62.87	\$26.60	\$26.60	\$26.60	\$26.60	\$26.60	\$26.60	\$26.60	\$26.60
	\$3.76	\$70.12	\$26.60	\$26.60	\$26.60	\$26.60	\$26.60	\$26.60	\$26.60	\$26.60
	\$3.59	\$76.97	\$26.60	\$26.60	\$26.60	\$26.60	\$26.60	\$26.60	\$26.60	\$26.60
	\$3.43	\$83.42	\$26.60	\$26.60	\$26.60	\$26.60	\$26.60	\$26.60	\$26.60	\$26.60



PLC vs. ARC-CO

County: **Stearns** Type: **All** ARC
 5 Yr. Olympic Avg. County Yield **151.0** Program Yield **151.0**
 5 Yr. Olympic Avg. MYA Price \$5.29 Reference Price \$3.70
 Benchmark Revenue \$798.79 **PLC > ARC-Co, @ \$3.17**

Stearns Corn

	Yields		ARC Payment							
	MYA Price	PLC Pymt	89	99	110	122	136	151	166	181
ARC-CO Coverage at \$5.29/bu X 86% X Approved County Yield bu. 151.0	\$5.03	\$0.00	\$79.88	\$79.88	\$79.88	\$79.88	\$73.30	\$2.88	\$0.00	\$0.00
ARC-CO payment maxes out at per ac @ \$79.88	\$4.90	\$0.00	\$79.88	\$79.88	\$79.88	\$79.88	\$79.88	\$20.56	\$0.00	\$0.00
PLC > ARC-CO with average yield > PLC unless prices fall below \$3.17	\$4.55	\$0.00	\$79.88	\$79.88	\$79.88	\$79.88	\$79.88	\$68.16	\$0.00	\$0.00
Units are \$/acre; payment is only on 85% of base acres	\$4.35	\$0.00	\$79.88	\$79.88	\$79.88	\$79.88	\$79.88	\$79.88	\$30.11	\$0.00
	\$4.15	\$0.00	\$79.88	\$79.88	\$79.88	\$79.88	\$79.88	\$79.88	\$60.31	\$0.00
	\$3.96	\$0.00	\$79.88	\$79.88	\$79.88	\$79.88	\$79.88	\$79.88	\$79.88	\$29.60
	\$3.78	\$0.00	\$79.88	\$79.88	\$79.88	\$79.88	\$79.88	\$79.88	\$79.88	\$59.48
	\$3.61	\$13.59	\$79.88	\$79.88	\$79.88	\$79.88	\$79.88	\$79.88	\$79.88	\$33.55
	\$3.45	\$37.75	\$79.88	\$79.88	\$79.88	\$79.88	\$79.88	\$79.88	\$79.88	\$62.51
	\$3.29	\$61.91	\$79.88	\$79.88	\$79.88	\$79.88	\$79.88	\$79.88	\$79.88	\$79.88
	\$3.14	\$84.56	\$79.88	\$79.88	\$79.88	\$79.88	\$79.88	\$79.88	\$79.88	\$79.88
	\$3.00	\$105.70	\$79.88	\$79.88	\$79.88	\$79.88	\$79.88	\$79.88	\$79.88	\$79.88
	\$2.87	\$125.33	\$79.88	\$79.88	\$79.88	\$79.88	\$79.88	\$79.88	\$79.88	\$79.88
	\$2.74	\$144.96	\$79.88	\$79.88	\$79.88	\$79.88	\$79.88	\$79.88	\$79.88	\$79.88



PLC vs. ARC-CO

County: **Stearns** Type: **All** ARC
 5 Yr. Olympic Avg. County Yield **40.7** Program Yield **40.7**
 5 Yr. Olympic Avg. MYA Price \$12.28 Reference Price \$8.40
 Benchmark Revenue \$499.80 **PLC > ARC-Co, @ \$7.17**

Stearns Soybeans	Yields		ARC Payment							
	24	27	30	33	37	41	45	49		
ARC-CO Coverage at \$12.27/bu X 86% X Approved County Yield bu. 40.7	\$11.67	\$0.00	\$49.98	\$49.98	\$49.98	\$44.72	\$0.00	\$0.00	\$0.00	\$0.00
ARC-CO payment maxes out at per ac @ \$49.98	\$9.63	\$0.00	\$49.98	\$49.98	\$49.98	\$49.98	\$49.98	\$49.98	\$35.00	\$0.00
PLC > ARC-CO with average yield > PLC unless prices fall below \$7.17	\$7.31	\$44.36	\$49.98	\$49.98	\$49.98	\$49.98	\$49.98	\$49.98	\$49.98	\$49.98
Units are \$/acre; payment is only on 85% of base acres	\$6.37	\$82.62	\$49.98	\$49.98	\$49.98	\$49.98	\$49.98	\$49.98	\$49.98	\$49.98



PLC vs. ARC-CO

County: **Stearns** Type: **All** ARC
 5 Yr. Olympic Avg. County Yield **41.3** Program Yield **41.3**
 5 Yr. Olympic Avg. MYA Price \$6.60 Reference Price \$5.50
 Benchmark Revenue \$272.58 **PLC > ARC-Co, @ \$4.84**

Stearns Wheat	Yields		ARC Payment							
	24	27	30	33	37	41	45	49		
ARC-CO Coverage at \$6.60/bu X 86% X Approved County Yield bu. 41.3	\$6.28	\$0.00	\$27.26	\$27.26	\$27.26	\$27.18	\$2.06	\$0.00	\$0.00	\$0.00
ARC-CO payment maxes out at per ac @ \$27.26	\$4.73	\$31.80	\$27.26	\$27.26	\$27.26	\$27.26	\$27.26	\$27.26	\$27.26	\$21.57
PLC > ARC-CO with average yield > PLC unless prices fall below \$4.84	\$3.94	\$64.43	\$27.26	\$27.26	\$27.26	\$27.26	\$27.26	\$27.26	\$27.26	\$27.26
Units are \$/acre; payment is only on 85% of base acres	\$3.43	\$85.49	\$27.26	\$27.26	\$27.26	\$27.26	\$27.26	\$27.26	\$27.26	\$27.26



PLC vs. ARC-CO

County: **Carver** Type: **All** ARC
 5 Yr. Olympic Avg. County Yield **171.3** Program Yield **171.3**
 5 Yr. Olympic Avg. MYA Price \$5.29 Reference Price \$3.70
 Benchmark Revenue \$906.18 **PLC > ARC-Co, @ \$3.17**

Carver Corn	Yields		ARC Payment							
	102	113	125	139	154	171	188	205		
ARC-CO Coverage at \$5.29/bu X 86% X Approved County Yield bu. 171.3	\$5.03	\$0.00	\$90.62	\$90.62	\$90.62	\$80.14	\$4.69	\$0.00	\$0.00	\$0.00
ARC-CO payment maxes out at per ac @ \$90.62	\$3.78	\$0.00	\$90.62	\$90.62	\$90.62	\$90.62	\$90.62	\$90.62	\$34.83	\$0.00
PLC > ARC-CO with average yield > PLC unless prices fall below \$3.17	\$3.14	\$95.93	\$90.62	\$90.62	\$90.62	\$90.62	\$90.62	\$90.62	\$90.62	\$90.62
Units are \$/acre; payment is only on 85% of base acres	\$2.74	\$164.45	\$90.62	\$90.62	\$90.62	\$90.62	\$90.62	\$90.62	\$90.62	\$90.62



PLC vs. ARC-CO

County: **Carver** Type: **All** ARC
 5 Yr. Olympic Avg. County Yield **45.0** Program Yield **45.0**
 5 Yr. Olympic Avg. MYA Price \$12.28 Reference Price \$8.40
 Benchmark Revenue \$552.60 **PLC > ARC-Co, @ \$7.17**

Carver Soybeans	Yields		ARC Payment							
	27	30	33	37	41	45	50	54		
ARC-CO Coverage at \$12.27/bu X 86% X Approved County Yield bu. 45.0	\$11.67	\$0.00	\$55.26	\$55.26	\$55.26	\$43.45	\$0.00	\$0.00	\$0.00	\$0.00
ARC-CO payment maxes out at per ac @ \$55.26	\$8.79	\$0.00	\$55.26	\$55.26	\$55.26	\$55.26	\$55.26	\$55.26	\$55.26	\$35.74
PLC > ARC-CO with average yield > PLC unless prices fall below \$7.17	\$7.31	\$49.05	\$55.26	\$55.26	\$55.26	\$55.26	\$55.26	\$55.26	\$55.26	\$55.26
Units are \$/acre; payment is only on 85% of base acres	\$6.37	\$91.35	\$55.26	\$55.26	\$55.26	\$55.26	\$55.26	\$55.26	\$55.26	\$55.26



PLC vs. ARC-CO

County: **Carver** Type: **All** ARC
 5 Yr. Olympic Avg. County Yield **45.0** Program Yield **45.0**
 5 Yr. Olympic Avg. MYA Price \$6.60 Reference Price \$5.50
 Benchmark Revenue \$297.00 **PLC > ARC-Co, @ \$4.84**

Carver Wheat	Yields		ARC Payment							
	MYA Price	PLC Pymt	27	30	33	37	41	45	50	54
ARC-CO Coverage at \$6.60/bu X 86% X Approved County Yield bu. 45.0	\$6.28	\$0.00	\$29.70	\$29.70	\$29.70	\$23.06	\$0.00	\$0.00	\$0.00	\$0.00
ARC-CO payment maxes out at per ac @ \$29.70	\$5.18	\$0.00	\$29.70	\$29.70	\$29.70	\$29.70	\$28.98	\$4.50	\$0.00	\$0.00
PLC > ARC-CO with average yield > PLC unless prices fall below \$4.84	\$5.68	\$0.00	\$29.70	\$29.70	\$29.70	\$29.70	\$22.54	\$0.00	\$0.00	\$0.00
Units are \$/acre; payment is only on 85% of base acres	\$5.42	\$3.60	\$29.70	\$29.70	\$29.70	\$29.70	\$29.70	\$11.52	\$0.00	\$0.00
	\$5.18	\$14.40	\$29.70	\$29.70	\$29.70	\$29.70	\$29.70	\$22.32	\$0.00	\$0.00
	\$4.95	\$24.75	\$29.70	\$29.70	\$29.70	\$29.70	\$29.70	\$29.70	\$7.92	\$0.00
	\$4.73	\$34.65	\$29.70	\$29.70	\$29.70	\$29.70	\$29.70	\$29.70	\$18.92	\$0.00
	\$4.52	\$44.10	\$29.70	\$29.70	\$29.70	\$29.70	\$29.70	\$29.70	\$29.42	\$11.34
	\$4.32	\$53.10	\$29.70	\$29.70	\$29.70	\$29.70	\$29.70	\$29.70	\$29.70	\$22.14
	\$4.13	\$61.65	\$29.70	\$29.70	\$29.70	\$29.70	\$29.70	\$29.70	\$29.70	\$29.70
	\$3.94	\$70.20	\$29.70	\$29.70	\$29.70	\$29.70	\$29.70	\$29.70	\$29.70	\$29.70
	\$3.76	\$78.30	\$29.70	\$29.70	\$29.70	\$29.70	\$29.70	\$29.70	\$29.70	\$29.70
	\$3.59	\$85.95	\$29.70	\$29.70	\$29.70	\$29.70	\$29.70	\$29.70	\$29.70	\$29.70
	\$3.43	\$93.15	\$29.70	\$29.70	\$29.70	\$29.70	\$29.70	\$29.70	\$29.70	\$29.70



PLC vs. ARC-CO

County: **Redwood** Type: **All** ARC
 5 Yr. Olympic Avg. County Yield **170.0** Program Yield **170.0**
 5 Yr. Olympic Avg. MYA Price \$5.29 Reference Price \$3.70
 Benchmark Revenue \$899.30 **PLC > ARC-Co, @ \$3.17**

Redwood Corn	Yields		ARC Payment									
	MYA Price	PLC Pymt	101	112	124	138	153	170	187	204		
ARC-CO Coverage at \$5.29/bu X 86% X Approved County Yield bu. 170.0	\$5.03	\$0.00	\$89.93	\$89.93	\$89.93	\$79.26	\$3.81	\$0.00	\$0.00	\$0.00		
ARC-CO payment maxes out at per ac @ \$89.93	\$4.90	\$0.00	\$89.93	\$89.93	\$89.93	\$89.93	\$89.93	\$23.70	\$0.00	\$0.00		
PLC > ARC-CO with average yield > PLC unless prices fall below \$3.17	\$4.55	\$0.00	\$89.93	\$89.93	\$89.93	\$89.93	\$77.25	\$0.00	\$0.00	\$0.00		
Units are \$/acre; payment is only on 85% of base acres	\$4.35	\$0.00	\$89.93	\$89.93	\$89.93	\$89.93	\$89.93	\$33.90	\$0.00	\$0.00		
	\$4.15	\$0.00	\$89.93	\$89.93	\$89.93	\$89.93	\$89.93	\$67.90	\$0.00	\$0.00		
	\$3.96	\$0.00	\$89.93	\$89.93	\$89.93	\$89.93	\$89.93	\$89.93	\$32.88	\$0.00		
	\$3.78	\$0.00	\$89.93	\$89.93	\$89.93	\$89.93	\$89.93	\$89.93	\$66.54	\$2.28		
	\$3.61	\$15.30	\$89.93	\$89.93	\$89.93	\$89.93	\$89.93	\$89.93	\$89.93	\$36.96		
	\$3.45	\$42.50	\$89.93	\$89.93	\$89.93	\$89.93	\$89.93	\$89.93	\$89.93	\$69.60		
	\$3.29	\$69.70	\$89.93	\$89.93	\$89.93	\$89.93	\$89.93	\$89.93	\$89.93	\$89.93		
	\$3.14	\$95.20	\$89.93	\$89.93	\$89.93	\$89.93	\$89.93	\$89.93	\$89.93	\$89.93		
	\$3.00	\$119.00	\$89.93	\$89.93	\$89.93	\$89.93	\$89.93	\$89.93	\$89.93	\$89.93		
	\$2.87	\$141.10	\$89.93	\$89.93	\$89.93	\$89.93	\$89.93	\$89.93	\$89.93	\$89.93		
	\$2.74	\$163.20	\$89.93	\$89.93	\$89.93	\$89.93	\$89.93	\$89.93	\$89.93	\$89.93		



PLC vs. ARC-CO

County: **Redwood** Type: **All** ARC
 5 Yr. Olympic Avg. County Yield **45.7** Program Yield **45.7**
 5 Yr. Olympic Avg. MYA Price \$12.28 Reference Price \$8.40
 Benchmark Revenue \$561.20 **PLC > ARC-Co, @ \$7.17**

Redwood Soybeans	Yields		ARC Payment							
	MYA Price	PLC Pymt	27	30	33	37	41	46	51	55
ARC-CO Coverage at \$12.27/bu X 86% X Approved County Yield bu. 45.7	\$11.67	\$0.00	\$56.12	\$56.12	\$56.12	\$50.84	\$4.16	\$0.00	\$0.00	\$0.00
ARC-CO payment maxes out at per ac @ \$56.12	\$11.38	\$0.00	\$56.12	\$56.12	\$56.12	\$56.12	\$16.05	\$0.00	\$0.00	\$0.00
PLC > ARC-CO with average yield > PLC unless prices fall below \$7.17	\$10.56	\$0.00	\$56.12	\$56.12	\$56.12	\$56.12	\$49.67	\$0.00	\$0.00	\$0.00
Units are \$/acre; payment is only on 85% of base acres	\$10.08	\$0.00	\$56.12	\$56.12	\$56.12	\$56.12	\$56.12	\$18.95	\$0.00	\$0.00
	\$9.63	\$0.00	\$56.12	\$56.12	\$56.12	\$56.12	\$56.12	\$39.65	\$0.00	\$0.00
	\$9.20	\$0.00	\$56.12	\$56.12	\$56.12	\$56.12	\$56.12	\$56.12	\$13.43	\$0.00
	\$8.79	\$0.00	\$56.12	\$56.12	\$56.12	\$56.12	\$56.12	\$56.12	\$34.34	\$0.00
	\$8.39	\$0.46	\$56.12	\$56.12	\$56.12	\$56.12	\$56.12	\$56.12	\$54.74	\$21.18
	\$8.01	\$17.82	\$56.12	\$56.12	\$56.12	\$56.12	\$56.12	\$56.12	\$56.12	\$42.08
	\$7.65	\$34.28	\$56.12	\$56.12	\$56.12	\$56.12	\$56.12	\$56.12	\$56.12	\$56.12
	\$7.31	\$49.81	\$56.12	\$56.12	\$56.12	\$56.12	\$56.12	\$56.12	\$56.12	\$56.12
	\$6.98	\$64.89	\$56.12	\$56.12	\$56.12	\$56.12	\$56.12	\$56.12	\$56.12	\$56.12
	\$6.67	\$79.06	\$56.12	\$56.12	\$56.12	\$56.12	\$56.12	\$56.12	\$56.12	\$56.12
	\$6.37	\$92.77	\$56.12	\$56.12	\$56.12	\$56.12	\$56.12	\$56.12	\$56.12	\$56.12



PLC vs. ARC-CO

County: **Redwood** Type: **All** ARC
 5 Yr. Olympic Avg. County Yield **48.0** Program Yield **48.0**
 5 Yr. Olympic Avg. MYA Price \$6.60 Reference Price \$5.50
 Benchmark Revenue \$316.80 **PLC > ARC-Co, @ \$4.84**

Redwood Wheat	Yields		ARC Payment									
	MYA Price	PLC Pymt	29	32	35	39	43	48	53	58		
ARC-CO Coverage at \$6.60/bu X 86% X Approved County Yield bu. 48.0	\$6.28	\$0.00	\$31.68	\$31.68	\$31.68	\$27.53	\$2.41	\$0.00	\$0.00	\$0.00		
ARC-CO payment maxes out at per ac @ \$31.68	\$6.12	\$0.00	\$31.68	\$31.68	\$31.68	\$31.68	\$31.68	\$9.29	\$0.00	\$0.00		
PLC > ARC-CO with average yield > PLC unless prices fall below \$4.84	\$5.68	\$0.00	\$31.68	\$31.68	\$31.68	\$31.68	\$31.68	\$28.21	\$0.00	\$0.00		
Units are \$/acre; payment is only on 85% of base acres	\$5.18	\$15.36	\$31.68	\$31.68	\$31.68	\$31.68	\$31.68	\$31.68	\$23.81	\$0.00		
	\$4.95	\$26.40	\$31.68	\$31.68	\$31.68	\$31.68	\$31.68	\$31.68	\$31.68	\$10.10		
	\$4.73	\$36.96	\$31.68	\$31.68	\$31.68	\$31.68	\$31.68	\$31.68	\$31.68	\$21.76		
	\$4.52	\$47.04	\$31.68	\$31.68	\$31.68	\$31.68	\$31.68	\$31.68	\$31.68	\$10.29		
	\$4.32	\$56.64	\$31.68	\$31.68	\$31.68	\$31.68	\$31.68	\$31.68	\$31.68	\$21.89		
	\$4.13	\$65.76	\$31.68	\$31.68	\$31.68	\$31.68	\$31.68	\$31.68	\$31.68	\$31.68		
	\$3.94	\$74.88	\$31.68	\$31.68	\$31.68	\$31.68	\$31.68	\$31.68	\$31.68	\$31.68		
	\$3.76	\$83.52	\$31.68	\$31.68	\$31.68	\$31.68	\$31.68	\$31.68	\$31.68	\$31.68		
	\$3.59	\$91.68	\$31.68	\$31.68	\$31.68	\$31.68	\$31.68	\$31.68	\$31.68	\$31.68		
	\$3.43	\$99.36	\$31.68	\$31.68	\$31.68	\$31.68	\$31.68	\$31.68	\$31.68	\$31.68		



PLC vs. ARC-CO

County:	Brown	Type:	All	ARC	PLC
5 Yr. Olympic Avg. County Yield				170.0	Program Yield 170.0
5 Yr. Olympic Avg. MYA Price				\$5.29	Reference Price \$3.70
Benchmark Revenue				\$899.30	PLC > ARC-Co, @ \$3.17

Brown Corn	Yields		ARC Payment							
	101	112	124	138	153	170	187	204		
ARC-CO Coverage at \$5.29/bu X 86% X Approved County Yield bu. 170.0	\$5.03	\$0.00	\$89.93	\$89.93	\$89.93	\$79.26	\$3.81	\$0.00	\$0.00	\$0.00
ARC-CO payment maxes out at per ac @ \$89.93	\$4.90	\$0.00	\$89.93	\$89.93	\$89.93	\$89.93	\$23.70	\$0.00	\$0.00	\$0.00
PLC > ARC-CO with average yield > PLC unless prices fall below \$3.17	\$4.55	\$0.00	\$89.93	\$89.93	\$89.93	\$89.93	\$77.25	\$0.00	\$0.00	\$0.00
Units are \$/acre; payment is only on 85% of base acres	\$4.35	\$0.00	\$89.93	\$89.93	\$89.93	\$89.93	\$89.93	\$33.90	\$0.00	\$0.00
	\$4.15	\$0.00	\$89.93	\$89.93	\$89.93	\$89.93	\$89.93	\$67.90	\$0.00	\$0.00
	\$3.96	\$0.00	\$89.93	\$89.93	\$89.93	\$89.93	\$89.93	\$89.93	\$32.88	\$0.00
	\$3.78	\$0.00	\$89.93	\$89.93	\$89.93	\$89.93	\$89.93	\$89.93	\$66.54	\$2.28
	\$3.61	\$15.30	\$89.93	\$89.93	\$89.93	\$89.93	\$89.93	\$89.93	\$89.93	\$36.96
	\$3.45	\$42.50	\$89.93	\$89.93	\$89.93	\$89.93	\$89.93	\$89.93	\$89.93	\$69.60
	\$3.29	\$69.70	\$89.93	\$89.93	\$89.93	\$89.93	\$89.93	\$89.93	\$89.93	\$89.93
	\$3.14	\$95.20	\$89.93	\$89.93	\$89.93	\$89.93	\$89.93	\$89.93	\$89.93	\$89.93
	\$3.00	\$119.00	\$89.93	\$89.93	\$89.93	\$89.93	\$89.93	\$89.93	\$89.93	\$89.93
	\$2.87	\$141.10	\$89.93	\$89.93	\$89.93	\$89.93	\$89.93	\$89.93	\$89.93	\$89.93
	\$2.74	\$163.20	\$89.93	\$89.93	\$89.93	\$89.93	\$89.93	\$89.93	\$89.93	\$89.93



PLC vs. ARC-CO

County:	Brown	Type:	All	ARC	PLC
5 Yr. Olympic Avg. County Yield				44.3	Program Yield 44.3
5 Yr. Olympic Avg. MYA Price				\$12.28	Reference Price \$8.40
Benchmark Revenue				\$544.00	PLC > ARC-Co, @ \$7.17

Brown Soybeans	Yields		ARC Payment							
	26	29	32	36	40	44	48	53		
ARC-CO Coverage at \$12.27/bu X 86% X Approved County Yield bu. 44.3	\$11.67	\$0.00	\$54.40	\$54.40	\$54.40	\$47.72	\$1.04	\$0.00	\$0.00	\$0.00
ARC-CO payment maxes out at per ac @ \$54.40	\$11.38	\$0.00	\$54.40	\$54.40	\$54.40	\$54.40	\$12.64	\$0.00	\$0.00	\$0.00
PLC > ARC-CO with average yield > PLC unless prices fall below \$7.17	\$10.56	\$0.00	\$54.40	\$54.40	\$54.40	\$54.40	\$45.44	\$3.20	\$0.00	\$0.00
Units are \$/acre; payment is only on 85% of base acres	\$10.08	\$0.00	\$54.40	\$54.40	\$54.40	\$54.40	\$54.40	\$24.32	\$0.00	\$0.00
	\$9.63	\$0.00	\$54.40	\$54.40	\$54.40	\$54.40	\$54.40	\$44.12	\$5.60	\$0.00
	\$9.20	\$0.00	\$54.40	\$54.40	\$54.40	\$54.40	\$54.40	\$54.40	\$26.24	\$0.00
	\$8.79	\$0.00	\$54.40	\$54.40	\$54.40	\$54.40	\$54.40	\$54.40	\$45.92	\$1.97
	\$8.39	\$0.44	\$54.40	\$54.40	\$54.40	\$54.40	\$54.40	\$54.40	\$54.40	\$23.17
	\$8.01	\$17.28	\$54.40	\$54.40	\$54.40	\$54.40	\$54.40	\$54.40	\$54.40	\$43.31
	\$7.65	\$33.23	\$54.40	\$54.40	\$54.40	\$54.40	\$54.40	\$54.40	\$54.40	\$54.40
	\$7.31	\$48.29	\$54.40	\$54.40	\$54.40	\$54.40	\$54.40	\$54.40	\$54.40	\$54.40
	\$6.98	\$62.91	\$54.40	\$54.40	\$54.40	\$54.40	\$54.40	\$54.40	\$54.40	\$54.40
	\$6.67	\$76.64	\$54.40	\$54.40	\$54.40	\$54.40	\$54.40	\$54.40	\$54.40	\$54.40
	\$6.37	\$89.93	\$54.40	\$54.40	\$54.40	\$54.40	\$54.40	\$54.40	\$54.40	\$54.40



PLC vs. ARC-CO

County:	Brown	Type:	All	ARC	PLC
5 Yr. Olympic Avg. County Yield				43.3	Program Yield 43.3
5 Yr. Olympic Avg. MYA Price				\$6.60	Reference Price \$5.50
Benchmark Revenue				\$285.78	PLC > ARC-Co, @ \$4.84

Brown Wheat	Yields		ARC Payment							
	26	29	32	35	39	43	47	52		
ARC-CO Coverage at \$6.60/bu X 86% X Approved County Yield bu. 43.3	\$6.28	\$0.00	\$28.58	\$28.58	\$28.58	\$25.97	\$0.85	\$0.00	\$0.00	\$0.00
ARC-CO payment maxes out at per ac @ \$28.58	\$6.12	\$0.00	\$28.58	\$28.58	\$28.58	\$28.58	\$7.09	\$0.00	\$0.00	\$0.00
PLC > ARC-CO with average yield > PLC unless prices fall below \$4.84	\$5.68	\$0.00	\$28.58	\$28.58	\$28.58	\$28.58	\$24.25	\$1.53	\$0.00	\$0.00
Units are \$/acre; payment is only on 85% of base acres	\$5.42	\$3.46	\$28.58	\$28.58	\$28.58	\$28.58	\$28.58	\$12.71	\$0.00	\$0.00
	\$5.18	\$13.86	\$28.58	\$28.58	\$28.58	\$28.58	\$28.58	\$23.03	\$2.31	\$0.00
	\$4.95	\$23.82	\$28.58	\$28.58	\$28.58	\$28.58	\$28.58	\$28.58	\$13.12	\$0.00
	\$4.73	\$33.34	\$28.58	\$28.58	\$28.58	\$28.58	\$28.58	\$28.58	\$23.46	\$0.00
	\$4.52	\$42.43	\$28.58	\$28.58	\$28.58	\$28.58	\$28.58	\$28.58	\$10.73	
	\$4.32	\$51.09	\$28.58	\$28.58	\$28.58	\$28.58	\$28.58	\$28.58	\$28.58	\$21.13
	\$4.13	\$59.32	\$28.58	\$28.58	\$28.58	\$28.58	\$28.58	\$28.58	\$28.58	\$28.58
	\$3.94	\$67.55	\$28.58	\$28.58	\$28.58	\$28.58	\$28.58	\$28.58	\$28.58	\$28.58
	\$3.76	\$75.34	\$28.58	\$28.58	\$28.58	\$28.58	\$28.58	\$28.58	\$28.58	\$28.58
	\$3.59	\$82.70	\$28.58	\$28.58	\$28.58	\$28.58	\$28.58	\$28.58	\$28.58	\$28.58
	\$3.43	\$89.63	\$28.58	\$28.58	\$28.58	\$28.58	\$28.58	\$28.58	\$28.58	\$28.58



PLC vs. ARC-CO

County:	Renville	Type:	All	ARC	PLC
5 Yr. Olympic Avg. County Yield				176.0	Program Yield 176.0
5 Yr. Olympic Avg. MYA Price				\$5.29	Reference Price \$3.70
Benchmark Revenue				\$931.04	PLC > ARC-Co, @ \$3.17

Renville Corn	Yields		ARC Payment							
	104	115	128	142	158	176	194	211		
ARC-CO Coverage at \$5.29/bu X 86% X Approved County Yield bu. 176.0	\$5.03	\$0.00	\$93.10	\$93.10	\$93.10	\$86.43	\$5.95	\$0.00	\$0.00	\$0.00
ARC-CO payment maxes out at per ac @ \$93.10	\$4.90	\$0.00	\$93.10	\$93.10	\$93.10	\$93.10	\$26.49	\$0.00	\$0.00	\$0.00
PLC > ARC-CO with average yield > PLC unless prices fall below \$3.17	\$4.55	\$0.00	\$93.10	\$93.10	\$93.10	\$93.10	\$81.79	\$0.00	\$0.00	\$0.00
Units are \$/acre; payment is only on 85% of base acres	\$4.35	\$0.00	\$93.10	\$93.10	\$93.10	\$93.10	\$93.10	\$35.09	\$0.00	\$0.00
	\$4.15	\$0.00	\$93.10	\$93.10	\$93.10	\$93.10	\$93.10	\$70.29	\$0.00	\$0.00
	\$3.96	\$0.00	\$93.10	\$93.10	\$93.10	\$93.10	\$93.10	\$93.10	\$32.45	\$0.00
	\$3.78	\$0.00	\$93.10	\$93.10	\$93.10	\$93.10	\$93.10	\$93.10	\$67.37	\$3.11
	\$3.61	\$15.84	\$93.10	\$93.10	\$93.10	\$93.10	\$93.10	\$93.10	\$93.10	\$38.98
	\$3.45	\$44.00	\$93.10	\$93.10	\$93.10	\$93.10	\$93.10	\$93.10	\$93.10	\$72.74
	\$3.29	\$72.16	\$93.10	\$93.10	\$93.10	\$93.10	\$93.10	\$93.10	\$93.10	\$93.10
	\$3.14	\$98.56	\$93.10	\$93.10	\$93.10	\$93.10	\$93.10	\$93.10	\$93.10	\$93.10
	\$3.00	\$123.20	\$93.10	\$93.10	\$93.10	\$93.10	\$93.10	\$93.10	\$93.10	\$93.10
	\$2.87	\$146.08	\$93.10	\$93.10	\$93.10	\$93.10	\$93.10	\$93.10	\$93.10	\$93.10
	\$2.74	\$168.96	\$93.10	\$93.10	\$93.10	\$93.10	\$93.10	\$93.10	\$93.10	\$93.10



PLC vs. ARC-CO

County: **Renville** Type: **All** ARC
 5 Yr. Olympic Avg. County Yield **46.3** Program Yield **46.3**
 5 Yr. Olympic Avg. MYA Price \$12.28 Reference Price \$8.40
 Benchmark Revenue \$568.56 **PLC > ARC-Co, @ \$7.17**

Renville Soybeans	Yields		ARC Payment										
	MYA Price	PLC Pymt	27	30	33	37	41	46	51	55			
ARC-CO Coverage at \$12.27/bu X 86% X Approved County Yield bu. 46.3	\$11.67	\$0.00	\$56.86	\$56.86	\$56.86	\$56.86	\$10.49	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
ARC-CO payment maxes out at per ac @ \$56.86	\$9.63	\$0.00	\$56.86	\$56.86	\$56.86	\$56.86	\$56.86	\$56.86	\$45.98	\$0.00	\$0.00	\$0.00	\$0.00
PLC > ARC-CO with average yield > PLC unless prices fall below \$7.17	\$7.31	\$50.47	\$56.86	\$56.86	\$56.86	\$56.86	\$56.86	\$56.86	\$56.86	\$56.86	\$56.86	\$56.86	\$56.86
Units are \$/acre; payment is only on 85% of base acres	\$6.37	\$93.99	\$56.86	\$56.86	\$56.86	\$56.86	\$56.86	\$56.86	\$56.86	\$56.86	\$56.86	\$56.86	\$56.86



PLC vs. ARC-CO

County: **Renville** Type: **All** ARC
 5 Yr. Olympic Avg. County Yield **52.0** Program Yield **52.0**
 5 Yr. Olympic Avg. MYA Price \$6.60 Reference Price \$5.50
 Benchmark Revenue \$343.20 **PLC > ARC-Co, @ \$4.84**

Renville Wheat	Yields		ARC Payment										
	MYA Price	PLC Pymt	31	34	38	42	47	52	57	62			
ARC-CO Coverage at \$6.60/bu X 86% X Approved County Yield bu. 52.0	\$6.28	\$0.00	\$34.32	\$34.32	\$34.32	\$31.39	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
ARC-CO payment maxes out at per ac @ \$34.32	\$4.73	\$40.04	\$34.32	\$34.32	\$34.32	\$34.32	\$34.32	\$34.32	\$34.32	\$34.32	\$25.54	\$1.89	\$0.00
PLC > ARC-CO with average yield > PLC unless prices fall below \$4.84	\$4.13	\$71.24	\$34.32	\$34.32	\$34.32	\$34.32	\$34.32	\$34.32	\$34.32	\$34.32	\$34.32	\$34.32	\$34.32
Units are \$/acre; payment is only on 85% of base acres	\$3.43	\$107.64	\$34.32	\$34.32	\$34.32	\$34.32	\$34.32	\$34.32	\$34.32	\$34.32	\$34.32	\$34.32	\$34.32



PLC vs. ARC-CO

County: **Blue Earth** Type: **All** ARC
 5 Yr. Olympic Avg. County Yield **177.3** Program Yield **177.3**
 5 Yr. Olympic Avg. MYA Price \$5.29 Reference Price \$3.70
 Benchmark Revenue \$937.92 **PLC > ARC-Co, @ \$3.17**

Blue Earth Corn	Yields		ARC Payment										
	MYA Price	PLC Pymt	104	116	129	143	159	177	195	212			
ARC-CO Coverage at \$5.29/bu X 86% X Approved County Yield bu. 177.3	\$4.90	\$0.00	\$93.79	\$93.79	\$93.79	\$87.32	\$6.84	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
ARC-CO payment maxes out at per ac @ \$93.79	\$3.96	\$0.00	\$93.79	\$93.79	\$93.79	\$93.79	\$93.79	\$93.79	\$93.79	\$34.41	\$0.00	\$0.00	\$0.00
PLC > ARC-CO with average yield > PLC unless prices fall below \$3.17	\$3.14	\$99.29	\$93.79	\$93.79	\$93.79	\$93.79	\$93.79	\$93.79	\$93.79	\$93.79	\$93.79	\$93.79	\$93.79
Units are \$/acre; payment is only on 85% of base acres	\$2.74	\$170.21	\$93.79	\$93.79	\$93.79	\$93.79	\$93.79	\$93.79	\$93.79	\$93.79	\$93.79	\$93.79	\$93.79



PLC vs. ARC-CO

County: **Blue Earth** Type: **All** ARC
 5 Yr. Olympic Avg. County Yield **47.3** Program Yield **47.3**
 5 Yr. Olympic Avg. MYA Price \$12.28 Reference Price \$8.40
 Benchmark Revenue \$580.84 **PLC > ARC-Co, @ \$7.17**

Blue Earth Soybeans	Yields		ARC Payment										
	MYA Price	PLC Pymt	28	31	34	38	42	47	52	56			
ARC-CO Coverage at \$12.27/bu X 86% X Approved County Yield bu. 47.3	\$11.67	\$0.00	\$58.08	\$58.08	\$58.08	\$56.06	\$9.38	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
ARC-CO payment maxes out at per ac @ \$58.08	\$8.39	\$0.47	\$58.08	\$58.08	\$58.08	\$58.08	\$58.08	\$58.08	\$58.08	\$58.08	\$42.44	\$7.28	\$0.00
PLC > ARC-CO with average yield > PLC unless prices fall below \$7.17	\$7.65	\$35.48	\$58.08	\$58.08	\$58.08	\$58.08	\$58.08	\$58.08	\$58.08	\$58.08	\$58.08	\$58.08	\$58.08
Units are \$/acre; payment is only on 85% of base acres	\$6.37	\$96.02	\$58.08	\$58.08	\$58.08	\$58.08	\$58.08	\$58.08	\$58.08	\$58.08	\$58.08	\$58.08	\$58.08



PLC vs. ARC-CO

County: **Blue Earth** Type: **All** ARC
 5 Yr. Olympic Avg. County Yield **43.0** Program Yield **43.0**
 5 Yr. Olympic Avg. MYA Price \$6.60 Reference Price \$5.50
 Benchmark Revenue \$283.80 **PLC > ARC-Co, @ \$4.84**

Blue Earth Wheat	Yields		ARC Payment							
	MYA Price	PLC Pymt	26	29	32	35	39	43	47	52
ARC-CO Coverage at \$6.60/bu X 86% X Approved County Yield bu. 43.0	\$6.28	\$0.00	\$28.38	\$28.38	\$28.38	\$24.27	\$0.00	\$0.00	\$0.00	\$0.00
ARC-CO payment maxes out at per ac @ \$28.38	\$5.18	\$13.76	\$28.38	\$28.38	\$28.38	\$28.38	\$28.38	\$28.38	\$21.33	\$0.61
PLC > ARC-CO with average yield > PLC unless prices fall below \$4.84	\$4.32	\$50.74	\$28.38	\$28.38	\$28.38	\$28.38	\$28.38	\$28.38	\$28.38	\$19.43
Units are \$/acre; payment is only on 85% of base acres	\$3.43	\$89.01	\$28.38	\$28.38	\$28.38	\$28.38	\$28.38	\$28.38	\$28.38	\$28.38



PLC vs. ARC-CO

County: **Nicollet** Type: **All** ARC
 5 Yr. Olympic Avg. County Yield **167.7** Program Yield **167.7**
 5 Yr. Olympic Avg. MYA Price \$5.29 Reference Price \$3.70
 Benchmark Revenue \$887.13 **PLC > ARC-Co, @ \$3.17**

Nicollet Corn	Yields		ARC Payment							
	MYA Price	PLC Pymt	99	110	122	136	151	168	185	202
ARC-CO Coverage at \$5.29/bu X 86% X Approved County Yield bu. 167.7	\$5.03	\$0.00	\$88.71	\$88.71	\$88.71	\$78.85	\$3.40	\$0.00	\$0.00	\$0.00
ARC-CO payment maxes out at per ac @ \$88.71	\$4.15	\$0.00	\$88.71	\$88.71	\$88.71	\$88.71	\$88.71	\$88.71	\$65.73	\$0.00
PLC > ARC-CO with average yield > PLC unless prices fall below \$3.17	\$3.29	\$68.76	\$88.71	\$88.71	\$88.71	\$88.71	\$88.71	\$88.71	\$88.71	\$88.71
Units are \$/acre; payment is only on 85% of base acres	\$2.74	\$160.99	\$88.71	\$88.71	\$88.71	\$88.71	\$88.71	\$88.71	\$88.71	\$88.71



PLC vs. ARC-CO

County: **Nicollet** Type: **All** ARC
 5 Yr. Olympic Avg. County Yield **45.3** Program Yield **45.3**
 5 Yr. Olympic Avg. MYA Price \$12.28 Reference Price \$8.40
 Benchmark Revenue \$556.28 **PLC > ARC-Co, @ \$7.17**

Nicollet Soybeans	Yields		ARC Payment							
	MYA Price	PLC Pymt	27	30	33	37	41	45	50	54
ARC-CO Coverage at \$12.27/bu X 86% X Approved County Yield bu. 45.3	\$11.67	\$0.00	\$55.63	\$55.63	\$55.63	\$46.61	\$0.00	\$0.00	\$0.00	\$0.00
ARC-CO payment maxes out at per ac @ \$55.63	\$9.20	\$0.00	\$55.63	\$55.63	\$55.63	\$55.63	\$55.63	\$55.63	\$18.40	\$0.00
PLC > ARC-CO with average yield > PLC unless prices fall below \$7.17	\$7.31	\$49.38	\$55.63	\$55.63	\$55.63	\$55.63	\$55.63	\$55.63	\$55.63	\$55.63
Units are \$/acre; payment is only on 85% of base acres	\$6.37	\$91.96	\$55.63	\$55.63	\$55.63	\$55.63	\$55.63	\$55.63	\$55.63	\$55.63



PLC vs. ARC-CO

County: **Nicollet** Type: **All** ARC
 5 Yr. Olympic Avg. County Yield **41.0** Program Yield **41.0**
 5 Yr. Olympic Avg. MYA Price \$6.60 Reference Price \$5.50
 Benchmark Revenue \$270.60 **PLC > ARC-Co, @ \$4.84**

Nicollet Wheat	Yields		ARC Payment							
	MYA Price	PLC Pymt	24	27	30	33	37	41	45	49
ARC-CO Coverage at \$6.60/bu X 86% X Approved County Yield bu. 41.0	\$6.28	\$0.00	\$27.06	\$27.06	\$27.06	\$25.48	\$0.36	\$0.00	\$0.00	\$0.00
ARC-CO payment maxes out at per ac @ \$27.06	\$4.95	\$22.55	\$27.06	\$27.06	\$27.06	\$27.06	\$27.06	\$27.06	\$9.97	\$0.00
PLC > ARC-CO with average yield > PLC unless prices fall below \$4.84	\$4.13	\$56.17	\$27.06	\$27.06	\$27.06	\$27.06	\$27.06	\$27.06	\$27.06	\$27.06
Units are \$/acre; payment is only on 85% of base acres	\$3.43	\$84.87	\$27.06	\$27.06	\$27.06	\$27.06	\$27.06	\$27.06	\$27.06	\$27.06



PLC vs. ARC-CO

County: **Waseca** Type: **All** ARC
 5 Yr. Olympic Avg. County Yield **181.0** Program Yield **181.0**
 5 Yr. Olympic Avg. MYA Price \$5.29 Reference Price \$3.70
 Benchmark Revenue \$957.49 **PLC > ARC-Co, @ \$3.17**

Waseca Corn

	Yields		ARC Payment							
	MYA Price	PLC Pymt	107	119	132	147	163	181	199	217
ARC-CO Coverage at \$5.29/bu X 86% X Approved County Yield bu. 181.0	\$5.03	\$0.00	\$95.75	\$95.75	\$95.75	\$84.03	\$3.55	\$0.00	\$0.00	\$0.00
ARC-CO payment maxes out at per ac @ \$95.75	\$4.90	\$0.00	\$95.75	\$95.75	\$95.75	\$95.75	\$24.74	\$0.00	\$0.00	\$0.00
PLC > ARC-CO with average yield > PLC unless prices fall below \$3.17	\$4.55	\$0.00	\$95.75	\$95.75	\$95.75	\$95.75	\$81.79	\$0.00	\$0.00	\$0.00
Units are \$/acre; payment is only on 85% of base acres	\$4.35	\$0.00	\$95.75	\$95.75	\$95.75	\$95.75	\$95.75	\$36.09	\$0.00	\$0.00
	\$4.15	\$0.00	\$95.75	\$95.75	\$95.75	\$95.75	\$95.75	\$72.29	\$0.00	\$0.00
	\$3.96	\$0.00	\$95.75	\$95.75	\$95.75	\$95.75	\$95.75	\$95.75	\$35.40	\$0.00
	\$3.78	\$0.00	\$95.75	\$95.75	\$95.75	\$95.75	\$95.75	\$95.75	\$71.22	\$3.18
	\$3.61	\$16.29	\$95.75	\$95.75	\$95.75	\$95.75	\$95.75	\$95.75	\$95.75	\$40.07
	\$3.45	\$45.25	\$95.75	\$95.75	\$95.75	\$95.75	\$95.75	\$95.75	\$95.75	\$74.79
	\$3.29	\$74.21	\$95.75	\$95.75	\$95.75	\$95.75	\$95.75	\$95.75	\$95.75	\$95.75
	\$3.14	\$101.36	\$95.75	\$95.75	\$95.75	\$95.75	\$95.75	\$95.75	\$95.75	\$95.75
	\$3.00	\$126.70	\$95.75	\$95.75	\$95.75	\$95.75	\$95.75	\$95.75	\$95.75	\$95.75
	\$2.87	\$150.23	\$95.75	\$95.75	\$95.75	\$95.75	\$95.75	\$95.75	\$95.75	\$95.75
	\$2.74	\$173.76	\$95.75	\$95.75	\$95.75	\$95.75	\$95.75	\$95.75	\$95.75	\$95.75



PLC vs. ARC-CO

County: **Waseca** Type: **All** ARC
 5 Yr. Olympic Avg. County Yield **48.0** Program Yield **48.0**
 5 Yr. Olympic Avg. MYA Price \$12.28 Reference Price \$8.40
 Benchmark Revenue \$589.44 **PLC > ARC-Co, @ \$7.17**

Waseca Soybeans

	Yields		ARC Payment							
	MYA Price	PLC Pymt	29	32	35	39	43	48	53	58
ARC-CO Coverage at \$12.27/bu X 86% X Approved County Yield bu. 48.0	\$11.67	\$0.00	\$58.94	\$58.94	\$58.94	\$51.79	\$5.11	\$0.00	\$0.00	\$0.00
ARC-CO payment maxes out at per ac @ \$58.94	\$11.38	\$0.00	\$58.94	\$58.94	\$58.94	\$58.94	\$17.58	\$0.00	\$0.00	\$0.00
PLC > ARC-CO with average yield > PLC unless prices fall below \$7.17	\$10.56	\$0.00	\$58.94	\$58.94	\$58.94	\$58.94	\$52.84	\$0.04	\$0.00	\$0.00
Units are \$/acre; payment is only on 85% of base acres	\$10.08	\$0.00	\$58.94	\$58.94	\$58.94	\$58.94	\$58.94	\$23.08	\$0.00	\$0.00
	\$9.63	\$0.00	\$58.94	\$58.94	\$58.94	\$58.94	\$58.94	\$44.68	\$0.00	\$0.00
	\$9.20	\$0.00	\$58.94	\$58.94	\$58.94	\$58.94	\$58.94	\$58.94	\$19.32	\$0.00
	\$8.79	\$0.00	\$58.94	\$58.94	\$58.94	\$58.94	\$58.94	\$58.94	\$41.05	\$0.00
	\$8.39	\$0.48	\$58.94	\$58.94	\$58.94	\$58.94	\$58.94	\$58.94	\$58.94	\$20.30
	\$8.01	\$18.72	\$58.94	\$58.94	\$58.94	\$58.94	\$58.94	\$58.94	\$58.94	\$42.34
	\$7.65	\$36.00	\$58.94	\$58.94	\$58.94	\$58.94	\$58.94	\$58.94	\$58.94	\$58.94
	\$7.31	\$52.32	\$58.94	\$58.94	\$58.94	\$58.94	\$58.94	\$58.94	\$58.94	\$58.94
	\$6.98	\$68.16	\$58.94	\$58.94	\$58.94	\$58.94	\$58.94	\$58.94	\$58.94	\$58.94
	\$6.67	\$83.04	\$58.94	\$58.94	\$58.94	\$58.94	\$58.94	\$58.94	\$58.94	\$58.94
	\$6.37	\$97.44	\$58.94	\$58.94	\$58.94	\$58.94	\$58.94	\$58.94	\$58.94	\$58.94



PLC vs. ARC-CO

County: **Waseca** Type: **All** ARC
 5 Yr. Olympic Avg. County Yield **43.3** Program Yield **43.3**
 5 Yr. Olympic Avg. MYA Price \$6.60 Reference Price \$5.50
 Benchmark Revenue \$285.78 **PLC > ARC-Co, @ \$4.84**

Waseca Wheat

	Yields		ARC Payment							
	MYA Price	PLC Pymt	26	29	32	35	39	43	47	52
ARC-CO Coverage at \$6.60/bu X 86% X Approved County Yield bu. 43.3	\$6.28	\$0.00	\$28.58	\$28.58	\$28.58	\$25.97	\$0.85	\$0.00	\$0.00	\$0.00
ARC-CO payment maxes out at per ac @ \$28.58	\$6.12	\$0.00	\$28.58	\$28.58	\$28.58	\$28.58	\$7.09	\$0.00	\$0.00	\$0.00
PLC > ARC-CO with average yield > PLC unless prices fall below \$4.84	\$5.68	\$0.00	\$28.58	\$28.58	\$28.58	\$28.58	\$24.25	\$1.53	\$0.00	\$0.00
Units are \$/acre; payment is only on 85% of base acres	\$5.42	\$3.46	\$28.58	\$28.58	\$28.58	\$28.58	\$28.58	\$12.71	\$0.00	\$0.00
	\$5.18	\$13.86	\$28.58	\$28.58	\$28.58	\$28.58	\$28.58	\$23.03	\$2.31	\$0.00
	\$4.95	\$23.82	\$28.58	\$28.58	\$28.58	\$28.58	\$28.58	\$28.58	\$13.12	\$0.00
	\$4.73	\$33.34	\$28.58	\$28.58	\$28.58	\$28.58	\$28.58	\$28.58	\$23.46	\$0.00
	\$4.52	\$42.43	\$28.58	\$28.58	\$28.58	\$28.58	\$28.58	\$28.58	\$28.58	\$10.73
	\$4.32	\$51.09	\$28.58	\$28.58	\$28.58	\$28.58	\$28.58	\$28.58	\$28.58	\$21.13
	\$4.13	\$59.32	\$28.58	\$28.58	\$28.58	\$28.58	\$28.58	\$28.58	\$28.58	\$28.58
	\$3.94	\$67.55	\$28.58	\$28.58	\$28.58	\$28.58	\$28.58	\$28.58	\$28.58	\$28.58
	\$3.76	\$75.34	\$28.58	\$28.58	\$28.58	\$28.58	\$28.58	\$28.58	\$28.58	\$28.58
	\$3.59	\$82.70	\$28.58	\$28.58	\$28.58	\$28.58	\$28.58	\$28.58	\$28.58	\$28.58
	\$3.43	\$89.63	\$28.58	\$28.58	\$28.58	\$28.58	\$28.58	\$28.58	\$28.58	\$28.58



PLC vs. ARC-CO

County: **Sibley** Type: **All** ARC
 5 Yr. Olympic Avg. County Yield **172.7** Program Yield **172.7**
 5 Yr. Olympic Avg. MYA Price \$5.29 Reference Price \$3.70
 Benchmark Revenue \$913.58 **PLC > ARC-Co, @ \$3.17**

Sibley Corn

	Yields		ARC Payment							
	MYA Price	PLC Pymt	102	113	126	140	156	173	190	208
ARC-CO Coverage at \$5.29/bu X 86% X Approved County Yield bu. 172.7	\$5.03	\$0.00	\$91.36	\$91.36	\$91.36	\$81.48	\$1.00	\$0.00	\$0.00	\$0.00
ARC-CO payment maxes out at per ac @ \$91.36	\$4.90	\$0.00	\$91.36	\$91.36	\$91.36	\$91.36	\$21.28	\$0.00	\$0.00	\$0.00
PLC > ARC-CO with average yield > PLC unless prices fall below \$3.17	\$4.55	\$0.00	\$91.36	\$91.36	\$91.36	\$91.36	\$91.36	\$75.88	\$0.00	\$0.00
Units are \$/acre; payment is only on 85% of base acres	\$4.35	\$0.00	\$91.36	\$91.36	\$91.36	\$91.36	\$91.36	\$91.36	\$33.13	\$0.00
	\$4.15	\$0.00	\$91.36	\$91.36	\$91.36	\$91.36	\$91.36	\$91.36	\$67.73	\$0.00
	\$3.96	\$0.00	\$91.36	\$91.36	\$91.36	\$91.36	\$91.36	\$91.36	\$91.36	\$33.28
	\$3.78	\$0.00	\$91.36	\$91.36	\$91.36	\$91.36	\$91.36	\$91.36	\$91.36	\$67.48
	\$3.61	\$15.54	\$91.36	\$91.36	\$91.36	\$91.36	\$91.36	\$91.36	\$91.36	\$91.36
	\$3.45	\$43.18	\$91.36	\$91.36	\$91.36	\$91.36	\$91.36	\$91.36	\$91.36	\$91.36
	\$3.29	\$70.81	\$91.36	\$91.36	\$91.36	\$91.36	\$91.36	\$91.36	\$91.36	\$91.36
	\$3.14	\$96.71	\$91.36	\$91.36	\$91.36	\$91.36	\$91.36	\$91.36	\$91.36	\$91.36
	\$3.00	\$120.89	\$91.36	\$91.36	\$91.36	\$91.36	\$91.36	\$91.36	\$91.36	\$91.36
	\$2.87	\$143.34	\$91.36	\$91.36	\$91.36	\$91.36	\$91.36	\$91.36	\$91.36	\$91.36
	\$2.74	\$165.79	\$91.36	\$91.36	\$91.36	\$91.36	\$91.36	\$91.36	\$91.36	\$91.36



PLC vs. ARC-CO

County: **Sibley** Type: **All** ARC
 5 Yr. Olympic Avg. County Yield **44.3** Program Yield **44.3**
 5 Yr. Olympic Avg. MYA Price \$12.28 Reference Price \$8.40
 Benchmark Revenue \$544.00 PLC > ARC-Co, @ **\$7.17**

Sibley Soybeans Yields 26 29 32 36 40 44 48 53

	MYA Price	PLC Pymt	ARC Payment							
ARC-CO Coverage at \$12.27/bu X 86% X Approved County Yield bu. 44.3	\$11.67	\$0.00	\$54.40	\$54.40	\$54.40	\$47.72	\$1.04	\$0.00	\$0.00	\$0.00
ARC-CO payment maxes out at per ac @ \$54.40	\$9.63	\$0.00	\$54.40	\$54.40	\$54.40	\$54.40	\$54.40	\$54.40	\$44.12	\$5.60
PLC > ARC-CO with average yield > PLC unless prices fall below \$7.17	\$7.31	\$48.29	\$54.40	\$54.40	\$54.40	\$54.40	\$54.40	\$54.40	\$54.40	\$54.40
Units are \$/acre; payment is only on 85% of base acres	\$6.37	\$89.93	\$54.40	\$54.40	\$54.40	\$54.40	\$54.40	\$54.40	\$54.40	\$54.40



PLC vs. ARC-CO

County: **Sibley** Type: **All** ARC
 5 Yr. Olympic Avg. County Yield **47.7** Program Yield **47.7**
 5 Yr. Olympic Avg. MYA Price \$6.60 Reference Price \$5.50
 Benchmark Revenue \$314.82 PLC > ARC-Co, @ **\$4.84**

Sibley Wheat Yields 29 32 35 39 43 48 53 58

	MYA Price	PLC Pymt	ARC Payment									
ARC-CO Coverage at \$6.60/bu X 86% X Approved County Yield bu. 47.7	\$6.28	\$0.00	\$31.48	\$31.48	\$31.48	\$25.83	\$0.71	\$0.00	\$0.00	\$0.00	\$0.00	
ARC-CO payment maxes out at per ac @ \$31.48	\$4.73	\$36.73	\$31.48	\$31.48	\$31.48	\$31.48	\$31.48	\$31.48	\$31.48	\$31.48	\$20.06	
PLC > ARC-CO with average yield > PLC unless prices fall below \$4.84	\$4.13	\$65.35	\$31.48	\$31.48	\$31.48	\$31.48	\$31.48	\$31.48	\$31.48	\$31.48	\$31.48	
Units are \$/acre; payment is only on 85% of base acres	\$3.43	\$98.74	\$31.48	\$31.48	\$31.48	\$31.48	\$31.48	\$31.48	\$31.48	\$31.48	\$31.48	



PLC vs. ARC-CO

County: **Meeker** Type: **All** ARC
 5 Yr. Olympic Avg. County Yield **163.7** Program Yield **163.7**
 5 Yr. Olympic Avg. MYA Price \$5.29 Reference Price \$3.70
 Benchmark Revenue \$865.97 PLC > ARC-Co, @ **\$3.17**

Meeker Corn Yields 97 108 120 133 148 164 180 197

	MYA Price	PLC Pymt	ARC Payment							
ARC-CO Coverage at \$5.29/bu X 86% X Approved County Yield bu. 163.7	\$5.03	\$0.00	\$86.60	\$86.60	\$86.60	\$75.74	\$0.29	\$0.00	\$0.00	\$0.00
ARC-CO payment maxes out at per ac @ \$86.60	\$3.78	\$0.00	\$86.60	\$86.60	\$86.60	\$86.60	\$86.60	\$86.60	\$86.60	\$64.33
PLC > ARC-CO with average yield > PLC unless prices fall below \$3.17	\$3.14	\$91.67	\$86.60	\$86.60	\$86.60	\$86.60	\$86.60	\$86.60	\$86.60	\$86.60
Units are \$/acre; payment is only on 85% of base acres	\$2.74	\$157.15	\$86.60	\$86.60	\$86.60	\$86.60	\$86.60	\$86.60	\$86.60	\$86.60



PLC vs. ARC-CO

County: **Meeker** Type: **All** ARC
 5 Yr. Olympic Avg. County Yield **42.7** Program Yield **42.7**
 5 Yr. Olympic Avg. MYA Price \$12.28 Reference Price \$8.40
 Benchmark Revenue \$524.36 PLC > ARC-Co, @ **\$7.17**

Meeker Soybeans Yields 26 29 32 35 39 43 47 52

	MYA Price	PLC Pymt	ARC Payment									
ARC-CO Coverage at \$12.27/bu X 86% X Approved County Yield bu. 42.7	\$11.67	\$0.00	\$52.44	\$52.44	\$52.44	\$42.50	\$0.00	\$0.00	\$0.00	\$0.00		
ARC-CO payment maxes out at per ac @ \$52.44	\$8.79	\$0.00	\$52.44	\$52.44	\$52.44	\$52.44	\$52.44	\$52.44	\$52.44	\$37.82		
PLC > ARC-CO with average yield > PLC unless prices fall below \$7.17	\$7.31	\$46.54	\$52.44	\$52.44	\$52.44	\$52.44	\$52.44	\$52.44	\$52.44	\$52.44		
Units are \$/acre; payment is only on 85% of base acres	\$6.37	\$86.68	\$52.44	\$52.44	\$52.44	\$52.44	\$52.44	\$52.44	\$52.44	\$52.44		



PLC vs. ARC-CO

County:	Meeker	Type:	All	ARC	PLC					
5 Yr. Olympic Avg. County Yield				44.3	Program Yield 44.3					
5 Yr. Olympic Avg. MYA Price				\$6.60	Reference Price \$5.50					
Benchmark Revenue				\$292.38	PLC > ARC-Co, @ \$4.84					
Meeker Wheat		Yields	26	29	32	36	40	44	48	53
	MYA Price	PLC Pymt	ARC Payment							
ARC-CO Coverage at \$6.60/bu X 86% X Approved County Yield bu. 44.3	\$6.28	\$0.00	\$29.24	\$29.24	\$29.24	\$25.37	\$0.25	\$0.00	\$0.00	\$0.00
	\$6.12	\$0.00	\$29.24	\$29.24	\$29.24	\$29.24	\$6.65	\$0.00	\$0.00	\$0.00
	\$5.68	\$0.00	\$29.24	\$29.24	\$29.24	\$29.24	\$24.25	\$1.53	\$0.00	\$0.00
	\$5.42	\$3.54	\$29.24	\$29.24	\$29.24	\$29.24	\$29.24	\$12.97	\$0.00	\$0.00
ARC-CO payment maxes out at per ac @ \$29.24	\$5.18	\$14.18	\$29.24	\$29.24	\$29.24	\$29.24	\$29.24	\$23.53	\$2.81	\$0.00
	\$4.95	\$24.37	\$29.24	\$29.24	\$29.24	\$29.24	\$29.24	\$29.24	\$13.85	\$0.00
	\$4.73	\$34.11	\$29.24	\$29.24	\$29.24	\$29.24	\$29.24	\$29.24	\$24.41	\$0.76
	\$4.52	\$43.41	\$29.24	\$29.24	\$29.24	\$29.24	\$29.24	\$29.24	\$29.24	\$11.89
PLC > ARC-CO with average yield > PLC unless prices fall below \$4.84	\$4.32	\$52.27	\$29.24	\$29.24	\$29.24	\$29.24	\$29.24	\$29.24	\$29.24	\$22.49
	\$4.13	\$60.69	\$29.24	\$29.24	\$29.24	\$29.24	\$29.24	\$29.24	\$29.24	\$29.24
	\$3.94	\$69.11	\$29.24	\$29.24	\$29.24	\$29.24	\$29.24	\$29.24	\$29.24	\$29.24
Units are \$/acre; payment is only on 85% of base acres	\$3.76	\$77.08	\$29.24	\$29.24	\$29.24	\$29.24	\$29.24	\$29.24	\$29.24	\$29.24
	\$3.59	\$84.61	\$29.24	\$29.24	\$29.24	\$29.24	\$29.24	\$29.24	\$29.24	\$29.24
	\$3.43	\$91.70	\$29.24	\$29.24	\$29.24	\$29.24	\$29.24	\$29.24	\$29.24	\$29.24



MYA PRICES FOR 09 through 13 are final, 2014 KSU Estimated Prices, and FAPRI-MU Crop Price Estimates for the remaining 4 years

*Year	PLC	09/10	10/11	11/12	12/13	13/14	14/15	15/16	16/17	17/18	18/19
CORN	3.70	3.55	5.18	6.22	6.89	4.46	3.84	3.79	3.91	3.92	3.98
MILO	3.95	3.22	5.02	5.99	6.33	4.28	3.69	3.52	3.65	3.70	3.80
WHEAT	5.50	4.87	5.70	7.24	7.77	6.87	6.00	5.05	5.15	5.39	5.63
SBEANS	8.40	9.59	11.30	12.50	14.40	13.00	10.19	8.78	9.15	9.50	9.83
5 year Olympic Average ARC Prices											
CORN							5.29	5.29	4.84	4.07	3.89
MILO							5.10	5.10	4.74	4.06	3.95
WHEAT							6.60	6.70	6.70	6.12	5.67
SBEANS							12.27	12.27	11.90	10.78	9.61
Break Even Prices for PLC VS. ARC*											
CORN							3.17	3.17	3.22	3.29	3.31
MILO							3.44	3.44	3.48	3.54	3.56
WHEAT							4.84	4.83	4.83	4.89	4.93
SBEANS							7.17	7.17	7.21	7.32	7.44

*Break even price is the point where PLC will pay more than ARC-CO, assuming the actual county yield equals the 5 year Olympic average yield and the farmer's FSA program (payment yield for PLC) is equal to the 5 year Olympic average yield.



ARC-CO vs. ARC-IC

- Based on prior 5-year historical farmer yields rather than county yields.
- ARC-IC guaranteed is based 5 year Olympic Average Farmer Revenue X 86%.
- Farmer revenue is defined as farmer yield X MYA price by year.
- Replace low farm yields with 70% of FSA T-yield, zero acreage replaced with higher of county yield or 70% of FSA T-yield.
- Most counties have only one FSA T-yield per crop; two T-yields if irrigated and non-irrigated. The FSA T-yields don't equal crop insurance T-yields.
- Change crop planted in future years will change the ARC-IC coverage that is based on the crop planted, adjusted for base acres.
- ARC-IC pays on 65% of base acres vs. ARC-CO at 85% of base acres.



ARC-CO vs. ARC-IC

- All crop revenue per FSA farm serial # count towards the guarantee, can't pick and choose
- Paperwork will be more cumbersome
- Works best for single enterprise farms that do little crop rotation. Montana wheat-summer fallow or corn-soybeans with complete 5 year yield histories.
- Producers may see higher payments from ARC-IC if their individual yields are much greater than the county yield
 - County Revenue Benchmark = \$5.29 X 90 bu/acre = \$476.10 (stop loss \$47.61) % 85% = \$40.47
 - Individual Benchmark = \$5.29 X 150 bu/acre = \$793.50 (stop loss \$79.35) % 65% = \$51.58
- Without base acres limits, \$125,000 payment limit, and 10% stop loss, ARC is effectively crop insurance.



Comparing the 2014 MYA Reference Price for 2014 ARC-CO vs. PLC Statute Price for Wheat

Est. MYA Year	14/15*	Wt.*	Est \$ Last Month		Est \$ Last
June	6.50	13.0		Last Month 14/15 Est MYA price	\$5.92
July	6.16	19.3		2014 ARC Reference Price	
August	5.98	13.3		MYA Price 13/14	\$6.87
September	5.74	9.1		MYA Price 12/13	\$7.77
October	5.71	6.3	\$5.60	MYA Price 11/12	\$7.24
Forecasted November	5.96	4.9	\$5.66	MYA Price 10/11	\$5.70
Forecasted December	5.82	6.6		Statute, Min MYA Price 09/10	\$5.50
Forecasted January 1	5.82	7.6		5 Yr. Olympic Average Reference	
Forecasted February	5.82	5.2		Price for 2014 ARC	\$6.60
Forecasted March	5.90	6.0		ARC 14% Deductible	\$5.68
Forecasted April	5.90	4.6		Est. 5 Yr. Olympic Average	
Forecasted May	5.96	4.1		Reference Price for 2015 ARC	\$6.60 to \$6.70
Est. 14/15 MYA price	6.00			PLC Reference Price & Difference	\$5.50 \$0.18

*The monthly prices in black are NASS published prices, monthly prices in red are KSU estimates and all of the weights are KSU estimates.



Comparing the 2014 MYA Reference Price for 2014 ARC-CO vs. PLC Statute Price for Corn

MYA Year	14/15*	Wt.*	Est \$ Last Month		Est \$ Last
September	3.48	7.46		Last Month 14/15 Est MYA price	\$3.56
October	3.56	12.98	\$3.28	2014 ARC Reference Price	
Forecasted November	3.57	11.42	\$3.98	MYA Price 13/14	\$4.46
Forecasted December	3.89	8.98		MYA Price 12/13	\$6.89
Forecasted January 1	3.89	14.08		MYA Price 11/12	\$6.22
Forecasted February	3.89	7.44		MYA Price 10/11	\$5.18
Forecasted March	3.98	8.24		Statute, MYA Price 09/10	\$3.70
Forecasted April	3.98	6.10		5 Yr. Olympic Average Reference	
Forecasted May	4.05	5.24		Price for 2014 ARC	\$5.29
Forecasted June	4.05	5.90		ARC 14% Deductible	\$4.55
Forecasted July	4.12	6.40		Est. 5 Yr. Olympic Average	
Forecasted August	4.12	5.76		Reference Price for 2015 ARC	\$5.29 to \$5.29
Est. 14/15 MYA price	3.84			PLC Reference Price & Difference	\$3.70 \$0.85

*The monthly prices in black are NASS published prices, monthly prices in red are KSU estimates and all of the weights are KSU estimates.



Comparing the 2014 MYA Reference Price for 2014 ARC-CO vs. PLC Statute Price for Sorghum

MYA Year	14/15*	Wt.*	Est \$ Last Month		Est \$ Last
September	3.20	5.94		Last Month 14/15 Est MYA price	\$3.39
October	3.50	12.38	\$3.06	2014 ARC Reference Price	
November	3.70	16.60	\$3.28	MYA Price 13/14	\$4.28
December	3.68	13.28		MYA Price 12/13	\$6.33
Forecasted January 1	3.68	10.98		MYA Price 11/12	\$5.99
Forecasted February	3.68	5.08		MYA Price 10/11	\$5.02
Forecasted March	3.76	4.72		Statute, MYA Price 09/10	\$3.95
Forecasted April	3.76	3.60		5 Yr. Olympic Average Reference	
Forecasted May	3.83	2.46		Price for 2014 ARC	\$5.10
Forecasted June	3.83	4.44		ARC 14% Deductible	\$4.38
Forecasted July	3.89	10.38		Est. 5 Yr. Olympic Average	
Forecasted August	3.89	10.14		Reference Price for 2015 ARC	\$5.10 to \$5.10
Est. 14/15 MYA price	3.69			PLC Reference Price & Difference	\$3.95 \$0.43

*The monthly prices in black are NASS published prices, monthly prices in red are KSU estimates and all of the weights are KSU estimates.



Comparing the 2014 MYA Reference Price for 2014 ARC-CO vs. PLC Statute Price for Soybeans

MYA Year	14/15*	Wt.*	Est \$ Last Month		Est \$ Last
September	10.90	7.26		Last Month 14/15 Est MYA price	\$9.73
October	9.97	24.76	9.64	2014 ARC Reference Price	
November	10.10	11.74	10.20	MYA Price 13/14	13.00
Forecasted December	10.15	9.54		MYA Price 12/13	14.40
Forecasted January 1	10.20	15.84		MYA Price 11/12	12.50
Forecasted February	10.20	7.64		MYA Price 10/11	11.30
Forecasted March	10.26	5.92		MYA Price 09/10	9.59
Forecasted April	10.26	4.24		5 Yr. Olympic Average Reference	
Forecasted May	10.30	3.30		Price for 2014 ARC	12.27
Forecasted June	10.30	3.46		ARC 14% Deductible	10.55
Forecasted July	10.30	3.56		Est. 5 Yr. Olympic Average	
Forecasted August	10.10	2.74		Reference Price for 2015 ARC	12.27 to \$12.27
Est. 14/15 MYA price	10.19			PLC Reference Price & Difference	8.40 2.15

*The monthly prices in black are NASS published prices, monthly prices in red are KSU estimates and all of the weights are KSU estimates.



PROGRAM YEAR 2014 ARC-CO COUNTY YIELDS (UNIT PER ACRE), Crop Years 2009-2013 (higher of county average yield or 70% of T-yield)

County Name	Yield Type	Crop Year 2009	Crop Year 2010	Crop Year 2011	Crop Year 2012	Crop Year 2013	Oly Avg Yield	% Under O Avg	% Over O Avg	Avg 14 Yd Oly Avg 15 Yield	Oly Avg 15 Yield with Low 14	Oly Avg 15 Yield with High 14
Corn												
York	All	206.0	188.0	182.0	192.0	202.0	194.0	(6.2%)	6.2%	191.3	187.3	194.0
Thomas	Irr	173.0	197.0	190.0	153.0	185.0	182.7	(16.2%)	7.8%	185.9	176.0	190.7
Thomas	Dry	109.0	86.0	70.0	32.0	32.0	62.7	(48.9%)	73.9%	54.9	44.7	62.7
Atchison	All	152.0	108.0	127.0	83.0	130.0	121.7	(31.8%)	24.9%	118.9	106.0	121.7
Ellis	All	107.0	48.0	48.0	48.0	48.0	48.0	.%	122.9%	48.0	48.0	48.0

PROGRAM YEAR 2014 ARC-CO COUNTY YIELDS (UNIT PER ACRE), Crop Years 2009-2013 (higher of county average yield or 70% of T-yield)

County Name	Yield Type	Crop Year 2009	Crop Year 2010	Crop Year 2011	Crop Year 2012	Crop Year 2013	Oly Avg Yield	% Under O Avg	% Over O Avg	Avg 14 Yd Oly Avg 15 Yield	Oly Avg 15 Yield with Low 14	Oly Avg 15 Yield with High 14
Corn												
Blue Earth	All	187.0	174.0	172.0	170.0	186.0	177.3	(4.1%)	5.5%	174.4	172.0	177.3
Redwood	All	187.0	184.0	150.0	162.0	164.0	170.0	(11.8%)	10.0%	165.3	158.7	170.0
Sibley	All	190.0	189.0	158.0	171.0	158.0	172.7	(8.5%)	10.0%	167.2	162.3	172.7
Wright	All	176.0	163.0	143.0	167.0	120.0	157.7	(23.9%)	11.6%	154.6	142.0	157.7
Soybeans												
Blue Earth	All	47.0	47.0	48.0	50.0	47.0	47.3	(.7%)	5.6%	47.4	47.3	48.3
Redwood	All	45.0	51.0	37.0	45.0	47.0	45.7	(19.9%)	11.7%	45.9	43.0	47.7
Sibley	All	45.0	52.0	38.0	43.0	45.0	44.3	(14.3%)	17.3%	44.1	42.0	46.7
Wright	All	43.0	47.0	35.0	46.0	35.0	41.3	(15.3%)	13.7%	40.8	38.7	42.7

PROGRAM YEAR 2014 ARC-CO COUNTY YIELDS (UNIT PER ACRE), Crop Years 2009-2013 (higher of county average yield or 70% of T-yield)

County Name	Yield Type	Crop Year 2009	Crop Year 2010	Crop Year 2011	Crop Year 2012	Crop Year 2013	Oly Avg Yield	% Under O Avg	% Over O Avg	Avg 14 Yd Oly Avg 15 Yield	Oly Avg 15 Yield with Low 14	Oly Avg 15 Yield with High 14
Wheat												
Wright	All	43.0	47.0	35.0	46.0	35.0	41.3	(15.3%)	13.7%	40.8	38.7	42.7
Blue Earth	All	53.0	32.0	32.0	44.0	67.0	43.0	(25.6%)	55.8%	39.7	36.0	47.7
Redwood	All	51.0	49.0	35.0	44.0	54.0	48.0	(27.1%)	12.5%	47.0	42.7	49.0
Sibley	All	57.0	56.0	41.0	40.0	46.0	47.7	(16.1%)	19.6%	44.9	42.3	47.7
Wright	All	37.0	46.0	29.0	50.0	38.0	40.3	(28.1%)	24.0%	41.4	37.7	44.7

What to choose?

- Election is for the life of the Farm Bill!
- Best fit for your farm will depend on your preferences for risk management
 - Protection against catastrophic price declines (PLC)
 - Protection against shallow revenue losses (ARC)

Or....

- Maximize Program payments 2014-2015 (if any)
 - Payment likely for some crops under ARC-CO (wheat-yield loss, others-price loss) and PLC (corn/sorghum)
 - How good you are at guessing where prices and yields will be in future years?

OSU-KSU Farm Bill Decision Aid

- Microsoft Excel spreadsheet that can be downloaded to your computer at no cost
- Input you own farm acres and yields to look at updated payment yield and reallocating base
- Run scenarios with different price outlooks to evaluate program payouts for ARC, PLC, and SCO using your own farm data
- The Some County Extension offices will be able to run the decision tool for your own farm numbers at a farmer paid rate of \$ per farm serial number

2014 Government Program and Crop Insurance Decision Tool
 KANSAS STATE UNIVERSITY

Jody Campiche and Eric A. DeVuyt
 Dept. of Agricultural Economics
 Oklahoma State University

Art Barnaby and Myiel Taylor
 Dept. of Agricultural Economics
 Kansas State University

K-STATE
 Research and Extension

Prior to completing this program, collect USDA Report FSA-156EZ from your FSA Office.

Select State/Territory	Oklahoma
Select County/Parish	Garfield
Select Crops	

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OSU-KSU Farm Bill Decision Aid

- Input your farm information
 - Select your state, county
 - Select your crops
- Data in spreadsheet for all states, counties, and crops
 - Updates to these data will be made as FSA makes data available

The image shows three screenshots of the software interface. The first is a 'Select State/Territory from list' dialog box with a scrollable list of US states and territories. The second is a 'Select County, Parish, or Borough from list below' dialog box with a scrollable list of counties for the selected state. The third is the main 'Oklahoma' window showing a 'Garfield' county selection and a list of crops with checkboxes for selection.



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OSU-KSU Farm Bill Decision Aid

- Data for each farm can be saved spreadsheet
 - Allows you to run different yield and price scenarios without re-entering your farm data

Prior to completing this program, collect your Crop History Summary (mailed to you by FSA) or USDA Report FSA-156EZ from your FSA Office.

Select State/Territory	Oklahoma
Select County/Parish	Garfield
Select Crops	



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OSU-KSU Farm Bill Decision Aid

- APH
 - Can be from crop insurance records
- FSA data
 - Enter your base acres and program yields for all crops
 - Enter data for crops with no base
- Decision to update based on calculations
 - Notes in spreadsheet help

Jones Place					
Crop	APH	Base Acres	FSA Yield	Reallocated Base Acres	Updated FSA Yield
Canola				0	0
Corn				0	0
Wheat	42	300	44	300	44

Enter your farm's historical yields							
Crop	2008	2009	2010	2011	2012	2013	Units
Canola						3000	lbs/acre
Corn							bu/acre
Wheat	44	22	50	33	52		bu/acre



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OSU-KSU Farm Bill Decision Aid

- Updating yield and base?
 - Results presented with *higher* of current/updated yields
 - Results with *both* reallocated and current base

Crop	Planted Acres					4-Year Avg	Ratio	Reallocated Base
	2009	2010	2011	2012	2013			
Canola					300	0	0.00	0
Corn					0	0	0.00	0
Wheat	150	300	300	300	0	263	1.00	300

Return to "ARC-Individual"

Crop	Your Farm's Historical Yields					2008-2012 County	Your Farm's Update Yields with Plug Yields					90% of Updated Average	Current FSA Yield	Updated FSA Yield
	2008	2009	2010	2011	2012		2008	2009	2010	2011	2012			
Canola						1069.7						0.0		0.0
Corn						41.5						0.0		0.0
Wheat	44	22	50	33	52	24.0	44.0	24.0	50.0	33.0	52.0	36.5	44.0	44.0



OSU-KSU Farm Bill Decision Aid

- Next steps require your expectations of the future...
 - Enter your plans for planted acres by crop
 - Enter expected prices
 - Enter expected yields
- Planting rotation going forward
- Price expectations
 - Try good prices and bad
 - 2015 has wheat low prices (below the reference prices)

Crop	2014 Planted Acres	2015 Planted Acres	2016 Planted Acres	2017 Planted Acres	2018 Planted Acres
Canola			150		
Corn	150	150		150	150
Wheat	150	150	150	150	150

Crop	2014 Price	2015 Price	2016 Price	2017 Price	2018 Price
Canola	\$ 0.171	\$ 0.171	\$ 0.177	\$ 0.191	\$ 0.193
Corn	\$ 3.400	\$ 3.740	\$ 3.980	\$ 4.190	\$ 4.200
Wheat	\$ 5.800	\$ 5.280	\$ 5.510	\$ 5.730	\$ 5.840



OSU-KSU Farm Bill Decision Aid

- ARC-CO
 - Input projected yields and prices
- Yields
 - Use linear trend (automatic)
 - Custom yields
- Prices
 - Use FAPRI (automatic)
 - Custom prices
- ARC-IC
 - Analysis available in tool

ARC-County					
Enter Crop Yield Data for Your County					
Crop	2009 Yield	2010 Yield	2011 Yield	2012 Yield	2013 Yield
Canola	1147.7	1486.8	848.4	1147.7	1069.7
Corn	65.3	119.8	23.5	56.8	70.5
Wheat	25.4	32.3	25.7	41.5	32.7

Crop	2014 Yield	2015 Yield	2016 Yield	2017 Yield	2018 Yield
Canola	1288.5	1239.0	1189.5	1140.0	1090.6
Corn	70.0	77.7	72.4	67.2	61.9
Wheat	7.0	32.0	32.0	32.0	32.0

Crop	2014 Price	2015 Price	2016 Price	2017 Price	2018 Price
Canola	\$ 0.171	\$ 0.171	\$ 0.177	\$ 0.191	\$ 0.193
Corn	\$ 3.400	\$ 3.740	\$ 3.980	\$ 4.190	\$ 4.200
Wheat	\$ 5.800	\$ 5.280	\$ 5.510	\$ 5.730	\$ 5.840



OSU-KSU Farm Bill Decision Aid

- ARC-CO input continued

ARC-County					
Enter Crop Yield Data for Your County					
Crop	2009 Price	2010 Price	2011 Price	2012 Price	2013 Price
Canola	\$ 0.162	\$ 0.193	\$ 0.240	\$ 0.265	\$ 0.206
Corn	\$ 3.550	\$ 5.180	\$ 6.220	\$ 6.890	\$ 4.450
Wheat	\$ 4.710	\$ 5.370	\$ 6.810	\$ 7.550	\$ 6.890

Crop	Base Acres	Loan Rate	Reference Price	Updated Base Acres	Benchmark Price 2014
Canola		\$ 0.10	\$ 0.20	0.0	\$ 0.22
Corn		\$ 1.95	\$ 3.70	0.0	\$ 5.28
Wheat	300.0	\$ 2.94	\$ 5.50	300.0	\$ 6.40

Crop	ARC Benchmark	ARC Guarantee	Actual Revenue	Payment Rate	Max Payment
Canola	\$ 242	\$ 208	\$ 220	\$ -	\$ 24
Corn	\$ 357	\$ 307	\$ 238	\$ 69	\$ 36
Wheat	\$ 194	\$ 167	\$ 41	\$ 126	\$ 19



OSU-KSU Farm Bill Decision Aid

- ARC-CO Example
 - 2014 is a drought year
 - 2015 has low prices (below the reference prices)
- Payments in both years
 - Either low yields or low prices will trigger ARC-CO
 - Payment limits at 10% of county reference revenue
- NPV of payouts is same for updated base acres

Crop	ARC-County Payments with Current Base Acres Paid on 85% of Base Acres					
	2014	2015	2016	2017	2018	Net Present Value
Canola	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Corn	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Wheat	\$ 4,939	\$ 2,811	\$ 772	\$ -	\$ -	\$ 8,316
Totals	\$ 4,939	\$ 2,811	\$ 772	\$ -	\$ -	\$ 8,316
Total Discounted ARC Payments @ 5% Discount Rate						\$ 8,316

Crop	ARC-County Payments with Reallocated Base Acres Paid on 85% of Base Acres					
	2014	2015	2016	2017	2018	Net Present Value
Canola	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Corn	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Wheat	\$ 4,939	\$ 2,811	\$ 772	\$ -	\$ -	\$ 8,316
Totals	\$ 4,939	\$ 2,811	\$ 772	\$ -	\$ -	\$ 8,316
Total Discounted ARC Payments @ 5% Discount Rate						\$ 8,316



OSU-KSU Farm Bill Decision Aid

- PLC Example
 - Entered MYA prices should be entered the same for ARC and PLC

Price Loss Coverage Calculations					
Crop	2014 Price	2015 Price	2016 Price	2017 Price	2018 Price
Canola	\$ 0.171	\$ 0.171	\$ 0.177	\$ 0.191	\$ 0.193
Corn	\$ 3.400	\$ 3.740	\$ 3.980	\$ 4.190	\$ 4.200
Wheat	\$ 5.800	\$ 5.280	\$ 5.510	\$ 5.730	\$ 5.840

Crop	Base Acres	Loan Rate	Reference Price	FSA Yield	Updated FSA Yield
Canola		\$ 0.10	\$ 0.20		0.0
Corn		\$ 1.95	\$ 3.70		0.0
Wheat	300	\$ 2.94	\$ 5.50	44.0	44.0



OSU-KSU Farm Bill Decision Aid

- PLC Example
 - Payments triggered when prices fall below reference prices
 - No per acre payments limits (\$125,000 is total limit)
- Highest payout
 - 2015 due to low prices (below the reference prices)

PLC Payments with Current Base Acres and UPDATED FSA Yields							
Crop	Base Acres	2014	2015	2016	2017	2018	NPV
Canola		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Corn		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Wheat	300	\$ -	\$ 2,468	\$ -	\$ -	\$ -	\$ 2,350
Totals		\$ -	\$ 2,468	\$ -	\$ -	\$ -	\$ 2,350
Total Discounted PLC Payment @ 5% Discount Rate							\$ 2,350

PLC Payments with Reallocated Base Acres and UPDATED FSA Yields							
Crop	Updated Base Acres	2014	2015	2016	2017	2018	NPV
Canola	0	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Corn	0	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Wheat	300	\$ -	\$ 2,468	\$ -	\$ -	\$ -	\$ 2,350
Totals		\$ -	\$ 2,468	\$ -	\$ -	\$ -	\$ 2,350
Total Discounted PLC Payment @ 5% Discount Rate							\$ 2,350



OSU-KSU Farm Bill Decision Aid

- SCO
 - Stacked on your existing crop insurance
 - Coverage up to 86%
 - Same product as underlying crop insurance (e.g. RP, RP-HPE, YP)

Supplemental Coverage Option Calculations					
Crop	2014 Price	2015 Price	2016 Price	2017 Price	2018 Price
Canola	\$ 0.171	\$ 0.171	\$ 0.177	\$ 0.191	\$ 0.193
Corn	\$ 3.400	\$ 3.740	\$ 3.980	\$ 4.190	\$ 4.200
Wheat	\$ 5.800	\$ 5.280	\$ 5.510	\$ 5.730	\$ 5.840

Crop	Crop Insurance	Coverage Level	SCO Yield	Max SCO Coverage	Payment multiplier	SCO Premium
Canola	RP-HPE	60%	1,189.5	86%	100%	\$ -
Corn	RP	70%	72.4	86%	100%	\$ -
Wheat	RP-HPE	60%	33.2	86%	100%	\$ -

Projected Price when Insurance is Purchased					
Crop	2014	2015	2016	2017	2018
Canola	\$ 3.89	\$ 4.09	\$ 4.09	\$ 4.12	\$ 4.21
Corn					
Wheat					

Projected Harvest Price					
Crop	2014	2015	2016	2017	2018
Canola	\$ 3.89	\$ 4.09	\$ 4.09	\$ 4.12	\$ 4.21
Corn					
Wheat					

Expected SCO Payments Net of Premiums						
Crop	2014	2015	2016	2017	2018	Net Present Value
Canola	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Corn	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Wheat	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Totals	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

- Garfield County
 - Only winter wheat SCO is available
 - More crops in future years
 - Decision is annual



OSU-KSU Farm Bill Decision Aid

- Results
 - Calculated using the NPV of payments across all years for each crop and program combination
- Comparison of results using updated and current base acres
- Optimal program can vary by crop, but not on this farm

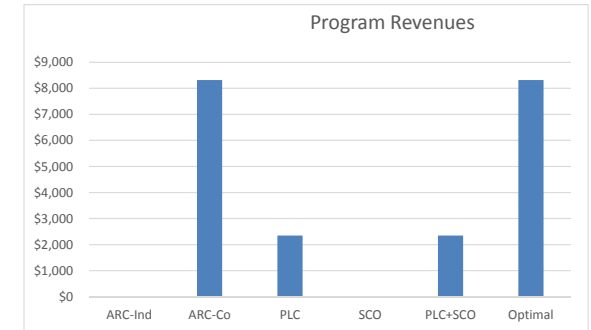
Jones Place					
Net Present Value of Payments					
Current Base Acres	ARC-County	PLC	SCO	PLC+SCO	ARC-Ind
Canola	\$0	\$0	\$0	\$0	
Corn	\$0	\$0	\$0	\$0	
Wheat	\$8,316	\$2,350	\$0	\$2,350	
Total NPV w/ Current base acres	\$8,316	\$2,350	\$0	\$2,350	\$0
Reallocated Base Acres	ARC-County	PLC	SCO	PLC+SCO	ARC-Ind
Canola	\$0	\$0	\$0	\$0	
Corn	\$0	\$0	\$0	\$0	
Wheat	\$8,316	\$2,350	\$0	\$2,350	
Total NPV w/ Reallocated base acres	\$8,316	\$2,350	\$0	\$2,350	\$0
Crop	Reallocate Y/N	Best Option	NPV		
Canola	Y	SCO	\$0		
Corn	Y	SCO	\$0		
Wheat	Y	ARC-County	\$8,316		
Total NPV--best option			\$8,316		



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OSU-KSU Farm Bill Decision Aid

- View results by crop to compare payouts
- Try different yield & price scenarios to determine the program that meets your needs
 - Risk management
 - Highest payout



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Questions?

More information available at: www.AgManager.info



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