

Enterprise Budget

10/19/2017

2018 Fesc-Clover Hay

Production

Owned land

Dryland

Yield, tons air-dry: 3.14
 Weighted value per ton, air-dry: \$80.41

Income per acre		Yield	Price	Business unit total
Hay	tons	3	80.00	240.00
Grazing	AUMs	1	12.50	12.50
Other income				0.00
Total income per acre				\$252.50

Operating costs per acre

Seed				0.00
Fertilizer				56.10
Nitrogen			14.40	
Phosphorus			16.10	
Potassium			15.60	
Other amendments			10.00	
Crop protection				0.00
Herbicide			0.00	
Insecticide-fungicide			0.00	
Crop supplies, storage				10.00
Crop consulting				0.00
Custom hire and rental				22.71
Machinery fuel and irrigation energy				5.77
Machinery repairs and maintenance				4.30
Operator and hired labor				10.07
Other expense				0.00
Operating interest				3.00
Operating costs per acre				\$111.96

Ownership costs per acre¹

Farm business overhead				3.50
Machinery overhead				9.80
Machinery depreciation				12.78
Real estate charge				38.00
Ownership costs per acre				\$64.08

Total costs per acre

\$176.03

Income over operating costs per acre

\$140.54

Income over total costs per acre

\$76.47

Operating costs per ton, air-dry basis	\$35.66
Ownership costs per ton, air-dry basis	\$20.41
Total costs per ton, air-dry basis	\$56.06

Detailed Report

Production 2018 Fesc-Clover Hay

10/19/17

Selected input quantities	per acre	Selected input prices	\$ per unit
Forage yield, tons	3.14	Farm diesel, per gallon	2.37
Seeding rate, lbs	0	Operating interest, %	5.50
Nitrogen rate, lbs	40	Nitrogen, per lb	0.36
Phosphorus rate, lbs	46	Phosphorus, per lb	0.35
Potassium rate, lbs	60	Potassium, per lb	0.26
Lime rate, tons	0.5	Lime, per ton	20.00
Sum of allocated labor, hours	0.63	Skilled labor, per hour	18.00
Irrigation, inches	0	Land value, per acre	2,000

Machine activity (not custom)	Labor	Fuel	Operating	Ownership	Total	Trips per acre
	Hours per acre	Gallons per acre	Costs ² \$ per acre	Costs ³ \$ per acre	Costs \$ per acre	
Disk mower-conditioner (9 ft); 130 MFWD	0.18	1.01	7.01	8.36	15.37	1
Wheel rake, V hitch (8 wheel); 75 HP	0.05	0.17	1.24	1.59	2.84	1
Round baler, net wrap (1500 lb); 130 MFWD	0.16	0.90	7.30	11.21	18.51	1
Pickup truck		0.36	1.22	1.41	2.63	
Total	0.38	2.44	16.78	22.58	39.35	3

¹ Farm business overhead includes liability insurance, utilities, accounting, etc. Machinery overhead is the sum of opportunity interest, property taxes, insurance, and housing. Machinery depreciation is a market value decline due to aging and usage. Thus, a portion of depreciation should be considered an operating costs for some decisions. Real estate charge includes land, improvements, taxes.

Economic costs may differ from rental rates.

² Machinery operating cost is the sum of fuel, repairs, maintenance, and the value of labor.

³ Machinery ownership cost is the sum of machinery overhead and depreciation (see page 1).