

Enterprise Budget

10/19/2017

2018 Fescue+Seed+Stubble Prod

Production

Owned land

Dryland

Yield, tons air-dry: 3.21
Weighted value per ton, air-dry: \$56.19

| Income per acre | | Yield | Price | Business unit total |
|------------------------------|---------------|-------|-------|---------------------|
| Hay | 1400 lb bales | 4 | 42.00 | 168.00 |
| Grazing | AUMs | 1 | 12.50 | 12.50 |
| Seed | lbs | 300 | 0.23 | 69.00 |
| Other income | | | | 0.00 |
| Total income per acre | | | | \$249.50 |

Operating costs per acre

| | | | | |
|--------------------------------------|--|--|-------|-----------------|
| Seed | | | | 0.00 |
| Fertilizer | | | | 66.80 |
| Nitrogen | | | 25.20 | |
| Phosphorus | | | 10.80 | |
| Potassium | | | 20.80 | |
| Other amendments | | | 10.00 | |
| Crop protection | | | | 0.00 |
| Herbicide | | | 0.00 | |
| Insecticide-fungicide | | | 0.00 | |
| Crop supplies, storage | | | | 6.00 |
| Crop consulting | | | | 0.00 |
| Custom hire and rental | | | | 36.60 |
| Machinery fuel and irrigation energy | | | | 6.60 |
| Machinery repairs and maintenance | | | | 5.75 |
| Operator and hired labor | | | | 13.71 |
| Other expense | | | | 0.00 |
| Operating interest | | | | 3.73 |
| Operating costs per acre | | | | \$139.18 |

Ownership costs per acre¹

| | | | | |
|---------------------------------|--|--|--|----------------|
| Farm business overhead | | | | 2.33 |
| Machinery overhead | | | | 9.73 |
| Machinery depreciation | | | | 11.96 |
| Real estate charge | | | | 38.00 |
| Ownership costs per acre | | | | \$62.03 |

Total costs per acre **\$201.21**

| | |
|--------------------------------------|----------|
| Income over operating costs per acre | \$110.32 |
| Income over total costs per acre | \$48.29 |

Detailed Report

Production 2018 Fescue+Seed+Stubble Prod

10/19/17

| Selected input quantities | per acre | Selected input prices | \$ per unit |
|-------------------------------|----------|-------------------------|-------------|
| Forage yield, tons | 3.21 | Farm diesel, per gallon | 2.37 |
| Seeding rate, lbs | 0 | Operating interest, % | 5.50 |
| Nitrogen rate, lbs | 70 | Nitrogen, per lb | 0.36 |
| Phosphorus rate, lbs | 30 | Phosphorus, per lb | 0.36 |
| Potassium rate, lbs | 80 | Potassium, per lb | 0.26 |
| Lime rate, tons | 0.5 | Lime, per ton | 20.00 |
| Sum of allocated labor, hours | 0.85 | 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 | |
| Swather (haybine) mower-conditioner (9 ft); 1 | 0.19 | 0.88 | 6.83 | 6.44 | 13.26 | 1 |
| Wheel rake, V hitch (8 wheel); 60 HP | 0.05 | 0.13 | 1.13 | 1.41 | 2.54 | 1 |
| Round baler, net wrap (1500 lb); 105 MFWD | 0.16 | 0.73 | 6.69 | 9.56 | 16.25 | 1 |
| Combine, fixed grain head (15 ft); 100 HP Cor | 0.15 | 0.66 | 6.06 | 2.78 | 8.84 | 1 |
| Pickup truck | | 0.38 | 1.30 | 1.51 | 2.81 | |
| Total | 0.55 | 2.79 | 22.01 | 21.69 | 43.70 | 4 |

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).