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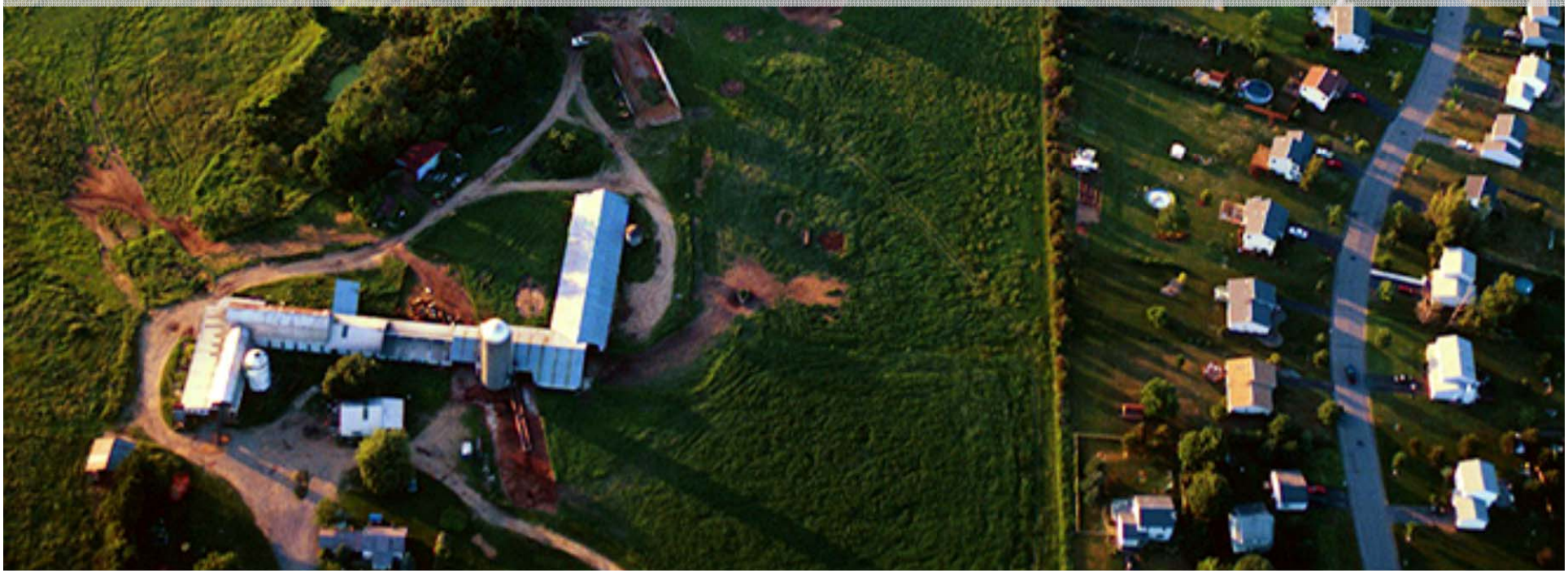
Musings of a Farmer: What is the P&L Statement Telling Me?!

BRIAN BRANDT – FARMER



2014 Corn Budget

Corn Expenses		
herbicides		$ 51.70
Manure		$ 81.63
AA application		$ 15.94
urea sidedress		$ 36.79
Anhydrous Ammonia		$ 36.81
harvest		$ 29.00
hauling		$ 11.20
seed		$ 55.74
crop insurance		$ 11.11
machinery		$ 10.00
fuel		$ 4.04
rent		$ 200.00
Total		$ 543.97
Corn Income		
175 bu/acre at $3.50 per bushel		$ 612.50
	Net	$ 68.53

2014 Soybean Budget

Soybean Expenses		
burndown w/ residual		$ 38.94
2nd herb application		$ 17.21
dry fertilizer		$ 53.26
harvest		$ 29.00
hauling		$ 3.50
seed		$ 70.49
crop insurance		$ 9.31
machinery		$ 10.00
fuel		$ 4.04
rent		$ 200.00
Total		$ 435.75
Soybean Income		
51 bu/acre at $10.00 per bushel		$ 510.00
	Net	$ 74.25

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2014 Wheat Budget

Wheat Expenses – high management		$ per acre
fungicide and application		$ 40.89
post harvest herbicide/tillage		$ 19.18
topdress nitrogen		$ 87.87
harvest		$ 29.00
hauling		$ 6.74
seed		$ 47.86
fall dry fertilizer		$ 50.46
crop insurance		$ 14.52
machinery costs		$ 12.80
fuel		$ 4.03
cash rent		$ 200.00
Total		$ 513.35
Wheat Income		
107 bu/acre at $5.50 per acre		$ 588.50
	Net	$ 75.15

2014 Wheat Budget

Wheat Expenses – medium management		$ per acre
fungicide and application		$ -
post harvest herbicide/tillage		$ 19.18
topdress nitrogen		$ 87.87
combine custom		$ 29.00
hauling		$ 6.74
seed		$ 47.86
fall dry fertilizer		$ -
crop insurance		$ 14.52
machinery costs		$ 12.80
fuel		$ 4.03
cash rent		$ 200.00
Total		$ 422.00
Wheat Income		
70 bu/acre at $5.50 per acre		$ 385.00
	Net	$ (37.00)

“Go-To” BMPs

- Nutrient Management
  - Reduce nutrient applications and/or increase nutrient use efficiency
    - Start with 4R’s and go from there – variable rate/precision ag technology, enhanced nitrogen, soil and tissue sampling
- Conservation Tillage
  - Increased level of management
  - Long-term positive impact on soil health and nutrient/sediment losses
  - Potential short-term negative impact for the farmer
  - Practice tailored to location

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Trending … and going viral?!!

- Cover Crops
  - Increased level of management
  - Positive impact on soil health and nutrient/sediment losses
  - Does the farmer see an immediate return to the investment?
    - Seed Cost: $10-$30 dollars per acre
    - Application Cost: $8-$20 per acre
  - Failures can and do occur!

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Existing and Emerging Water Management Practices to Improve Water Quality

- Drainage Water Management
- N-treatment wetlands
- Bio-reactors
- Saturated Buffers
- Improved waterways
- Tile outlet terraces
- Blind inlets
- Dry dams and diversions

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Other Decision Factors

- Owned vs. rented land
  - Where would you invest your dollars?
- What is my environmental impact?
  - Lack of information for the farmer when deciding what practices to implement
    - NRCS Nutrient Tracking Tool (NTT) – quantitative
    - Field to Market Fieldprint Calculator – comparative
    - USDA Water Quality Index (WQIag) - qualitative

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Saving the Land that Sustains Us

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