



2003 WHEAT-SOYBEAN DOUBLE CROP BUDGET <sup>1,2</sup>

ITEM	EXPLANATION	PRICE PER UNIT	YIELD (bu/A)		
			45	60	75
<b>RECEIPTS<sup>3</sup></b>					
Wheat (grain only)		\$3.30 /bu	\$149	\$198	\$248
Soybeans	20 bu	5.00 /bu	100	100	100
<b>TOTAL RECEIPTS</b>			249	298	348
<b>VARIABLE COSTS (WHEAT- GRAIN ONLY)</b>					
Seed	120 lbs	0.20 /lb	24	24	24
Fertilizer <sup>4</sup>					
N (lbs.)	30      60      80	0.24 /lb	7	14	19
P <sub>2</sub> O <sub>5</sub> (lbs)	50      60      70	0.24 /lb	12	14	17
K <sub>2</sub> O(lbs)	90      95      100	0.13 /lb	12	12	13
Lime(ton)	0.5	12 /ton	6	6	6
Chemicals <sup>5</sup>			7	7	7
Trucking - Fuel Only		0.03 /bu	1	2	2
Fuel, Oil, Grease <sup>6</sup>			3	3	3
Repairs <sup>7</sup>			8	8	8
Miscellaneous <sup>8</sup>			12	13	14
Int. on Oper. Cap. <sup>9</sup>	8 mo.	9%	5	6	7
Hired Labor <sup>10</sup>			0	0	0
<b>VARIABLE COSTS (SOYBEANS)</b>					
Seed	80 lb.	0.40 /lb	32	32	32
Chemicals <sup>11</sup>			18	18	18
Trucking - Fuel Only	0.03 bu		1	1	1
Fuel, Oil, Grease <sup>6</sup>			3	3	3
Repairs <sup>7</sup>			8	8	8
Int. on Oper. Cap. <sup>12</sup>	5 mo.	9.0%	2	2	2
Hired Labor <sup>10</sup>			0	0	0
<b>TOTAL VARIABLE COSTS</b>			160	172	182
<b>FIXED COSTS</b>					
Labor Charge <sup>10</sup>	3.5 hours	9.00 /hr	32	32	32
Mach. And Equip. Charge <sup>13</sup>			49	49	49
Land Charge <sup>14</sup>			50	70	90
Management Charge	5% of gross revenue		12	15	17
<b>TOTAL FIXED COSTS</b>			143	166	188
<b>TOTAL COSTS</b>			303	338	370
<b>RETURN ABOVE VARIABLE COSTS</b>			89	126	166
<b>RETURN ABOVE TOTAL COSTS</b>			(54)	(40)	(22)
<b>RETURN TO LABOR AND MANAGEMENT<sup>15</sup></b>			(10)	7	26

- <sup>1</sup> Does not include costs of storage.
- <sup>2</sup> Early harvest and drying of wheat followed closely by soybean planting with adequate soil moisture for germination are critical for successful double crop. Soybeans are assumed to be Round-Up Ready.
- <sup>3</sup> Price received is estimated government loan rate for soybeans and wheat in Ohio. Loan rates vary by county, check with your local FSA office for rates in your county. No other government payments are included. No returns are shown for straw.
- <sup>4</sup> Assumes only maintenance application of fertilizer for wheat and soybeans, soil test values of 20 ppm P/A and 150 ppm K/A. Prices were quoted in October, 2002. Fertilizer prices vary over time and by area. Check with local sources for current prices.
- <sup>5</sup> Based on use of 2,4-D and Banvel. Additional treatments may be needed to eliminate phytopora damping off.
- <sup>6</sup> See table below for specific calculations. Lubrication costs are assumed to be 15% of fuel costs.
- <sup>7</sup> See table below for specific calculations.
- <sup>8</sup> Includes supplies, utilities, soil tests, small tools, crop insurance, etc...
- <sup>9</sup> Interest on all variable costs, except drying and trucking, for 8 months at 9% interest rate.
- <sup>10</sup> Part or all of labor may be a variable cost if paid labor varies with acres farmed.  
It's a fixed cost if labor costs do not change with acres farmed.
- <sup>11</sup> Based on use of Roundup and Select.
- <sup>12</sup> Interest on all variable costs, except drying and trucking, for 5 months at 9% interest rate.
- <sup>13</sup> Reflects 1000 acres. See table below for specific calculations.
- <sup>14</sup> Average based on 1999 data. Land charges vary throughout the state, check your local rates.
- <sup>15</sup> Return to labor and management is the revenue less total expenses except operator labor and management.  
It is a measure of the returns to the operator's labor and management.

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### Machinery Inventory

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	Number times used	Cost	Acres/ Hr	Fuel*	Repairs (\$/A)
50 ft. Boom Sprayer	2	\$5,500	25.6	0.22	0.20
15 Ft Grain Drill	2	\$26,800	12.0	1.62	2.86
Combine w/ 20' head	2	\$141,000	12.7	2.62	6.76
Gravity Grain Wagons	2	\$7,000		1.20	0.84
Fertilizer Spreader	1	\$10,400	23.80	0.11	0.23
160 HP Tractor		\$94,200			3.84
75 HP Tractor		\$30,300			1.14
Pickup Truck (1/2)		\$12,500		0.10	0.05
<b>Total per Acre</b>		<b>327,700</b>		<b>5.87</b>	<b>15.92</b>
Fixed Costs Rate	15%				
<b>Mach. And Equip Charge =</b>		<b>\$49</b>		<b>Price of Diesel Fuel =</b>	<b>\$1.00 /gal</b>

Machinery and Equipment Charge = Total Machine Inventory Cost x Fixed Costs Rate / 1000 acres  
 =\$327,700 x 15% / 1000 acres = \$50/acre

Machines are all assumed to be new and in the first year of use. Older/used machines will likely have lower machinery costs. Size of operation will also effect cost of machinery per acre. For an analysis on machine costs for different sized operations, see economies of scale budgets in this publication

Fixed costs rate includes depreciation, interest, housing, and insurance.

\*Fuel calculations are based on the implement plus tractor.



