

Flood-Irrigated Corn Silage Cost-Return Budget

Department of Agricultural Economics



Kansas State University Agricultural Experiment Station and Cooperative Extension Service

Troy J. Dumler
Agricultural Economist, SW

Curtis R. Thompson
Crops and Soils, SW

Daniel M. O'Brien
Agricultural Economist, NW

Roger Stockton
Crops and Soils, NW

This budget provides cost and return estimates for flood-irrigated corn silage in western Kansas. Confinement livestock operations use most of the corn silage produced in the area. Harvested acres and production of corn silage in Kansas have been stable from 1997 through 2000, averaging 133,750 acres and 2,245,000 tons per year.

Income Per Acre

Crop production costs per unit and net returns are highly dependent on yields. The following estimated budget includes three different yield levels, which are intended to represent expected yields for land of varying quality for a given level of management. Alternative expected yields can help producers compare the profitability of crop enterprises on farmland tracts with varying yield potential. Land values and government payments have been adjusted for alternative yield levels in the budgets. In customizing a budget to your farm, attention should be given to using land values representative of your farm's productive capacity.

Price per ton represents an expected harvest price in Scott City, Kan., accounting for government marketing loan price support levels. Corn silage producers in other regions of

Table 1. Production Inputs — Flood-Irrigated Corn Silage

Item	Yield Level (ton)			
	21.6	25.7	29.7	
Seed, 1,000/acre	28	32	36	\$1.16/1,000
Fertilizer:				
N (anhydrous)	205	244	282	\$0.16/lb
N	0	0	0	\$0.23/lb
P	82	98	113	\$0.21/lb
K	0	0	0	\$0.14/lb
Lime	0	0	0	\$0.01/lb
Herbicide				
Bicep II Magnum	2.0	2.0	2.0	\$10.06/qt
Insecticide / Fungicide				
Force 3G	5.4	5.4	5.4	\$3.93/lb
Irrigation water, in	16	20	24	\$3.22/in

Table 2. Machinery and Land Resources — Flood-Irrigated Corn Silage

ITEM	Yield Level (ton)			
	21.6	25.7	29.7	
Tillage/Planting/Chemical Applications:				
Chisel/disk	2	2	2	\$6.09/ac
Field cultivate	1	1	1	\$5.74/ac
Bed/furrow	1	1	1	\$6.00/ac
Plant	1	1	1	\$8.01/ac
Anhydrous application	1	1	1	\$5.23/ac
Fertilizer application	0	0	0	\$3.64/ac
Herbicide application	1	1	1	\$3.61/ac
Insecticide / fungicide application	0	0	0	\$3.66/ac
Harvest				
Base charge	1	1	1	\$0.00/ac
Extra charge for yields exceeding	0	0	0	\$5.197/ton
Hauling	21.6	25.7	29.7/ton	\$0.000/ton
Non-machinery labor	0.50	0.50	0.50	\$10.00/hr
Irrigation labor	1.00	1.00	1.00	\$10.00/hr
Land value/acre	\$643	\$804	\$965	6.00%
Interest on capital				8.0%
Irrigation Equipment	Investment, \$/ac		Years	Salvage value
Well, pump and gearhead value	\$250.00		15	0%
Power unit and meter	\$32.50		7	0%
Irrigation system	\$32.86		10	0%

western Kansas should use an expected price that is representative for their location.

Costs Per Acre

Production costs at the three production levels are shown on lines 1 through 13. Kansas Custom Rates for specific field operations are used to represent fuel and labor costs as well as machinery repair, depreciation, and interest expenses in these budgets. Table 1 identifies the typical seed, fertilizer, herbicide, insecticide, and irrigation water requirements (rate and cost/unit) for flood-irrigated corn silage. Herbicide requirements include both pre-crop and in-crop treatments. Table 2 outlines the machinery, irrigation equipment, and

land resources used for flood-irrigated corn silage. Each tillage, planting, and harvest operation is identified.

Irrigation Costs

Any land preparation costs are included with the land charge. Capital requirements for sprinkler systems will run \$20,000 to \$40,000 higher than flood irrigation systems. Price of the energy source and Total Dynamic Head (TDH) are the major factors affecting pumping costs. See MF-836, *Irrigation Capital Requirements and Energy Costs*, for an explanation of differences in capital costs, TDH, and examples of pumping costs for natural gas, diesel, electricity and propane.

COST-RETURN PROJECTION — FLOOD-IRRIGATED CORN SILAGE

	Yield Level (ton)			Your Farm
	21.6	25.7	29.7	
INCOME PER ACRE				
A. Yield per acre	21.6	25.7	29.7	
B. Price per ton	\$ 18.24	\$ 18.24	\$ 18.24	
C. Net government payment	\$ 14.76	\$ 16.05	\$ 17.33	
D. Indemnity payments	\$	\$	\$	
E. Miscellaneous income	\$	\$	\$	
F. Returns/acre ((A × B) + C + D + E)	\$ 408.75	\$ 484.82	\$ 559.06	
COSTS PER ACRE				
1. Seed	\$ 32.48	\$ 37.12	\$ 41.76	
2. Herbicide	20.12	20.12	20.12	
3. Insecticide / Fungicide	21.22	21.22	21.22	
4. Fertilizer and Lime	50.02	59.62	68.85	
5. Crop Consulting	6.50	6.50	6.50	
6. Crop Insurance				
7. Drying				
8. Miscellaneous	10.00	10.00	10.00	
9. Custom Hire / Machinery Expense	153.02	174.33	195.12	
10. Non-machinery Labor	5.00	5.00	5.00	
11. Irrigation				
a. Labor	10.00	10.00	10.00	
b. Fuel and Oil	51.52	64.40	77.28	
c. Repairs and Maintenance	3.36	4.20	5.04	
d. Depreciation on Equipment and Well	24.60	24.60	24.60	
e. Interest on Equipment	2.61	2.61	2.61	
12. Land Charge / Rent	38.58	48.24	57.90	
G. SUB TOTAL	\$ 429.03	\$ 487.96	\$ 546.00	
13. Interest on 1/2 Nonland Costs	15.62	17.59	19.52	
H. TOTAL COSTS	\$ 444.65	\$ 505.55	\$ 565.52	
I. RETURNS OVER COSTS (F - H)	\$ -35.90	\$ -20.74	\$ -6.46	
J. TOTAL COSTS/TON (H ÷ A)	\$ 20.59	\$ 19.67	\$ 19.04	
K. RETURN TO ANNUAL COST (I + 13) ÷ G	-4.73%	-0.64%	2.39%	

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Kansas State University Agricultural Experiment Station and Cooperative Extension Service

MF-581

October 2001

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