
**2011
Projected
Commodity
Costs
And
Returns**



**2011 Projected Rice Cash Flow
Model**

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Projected 2011 Rice Farm Cash Flow Model

A Rice Production Farm Income and Expense Producer Decision Tool

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The Projected 2011 Rice Farm Cash Flow Model was developed to assist producers in planning for the 2011 crop year. The model is an Excel spreadsheet which allows rice producers to enter projected acreage, yield, market price and production cost data for 2011 to estimate net returns above variable production costs and to easily evaluate the impact of changing percent of base planted on net returns. The primary purpose of the model is to evaluate the impact on net returns above variable production costs for alternative rice rental arrangements and percent of base acreage planted. The model also includes entry cells for whole farm fixed expenses to estimate projected returns from rice production over all costs. Five worksheets are included to estimate rice cash flow on five different land tracts. Worksheets can be copied to accommodate additional land tracts if needed.

Data Input

The Projected 2011 Rice Farm Cash Flow Model calculates projected net returns above variable production costs for a rice farm or specific tract of land of a specified acreage. For each farm or tract, data to be entered into the model includes estimates for the 2011 crop season including rice acreage, base acres, percent of base planted, projected first crop and ratoon crop yields, program yields, projected prices and production costs. Gross returns, variable costs and net returns are calculated for the farm or tract based upon the data entered. Spreadsheet cells in which data must be entered are listed and defined below.

Acreage, Production and Price Data:

The first section of the model contains cells to enter data concerning projected 2011 rice acreage, production and market prices. The specific data entry cells in the spreadsheet (shaded in blue) are listed below.

<u>Spreadsheet Cell</u>	<u>Description</u>
C5	Farm Name
C6	Tract Name / Number
G9	Rice Yield Unit (1 = cwt and 2 = bbls)
G10	Total Rice Base Acres
I11	Rice Acres Planted in 2011
I12	Ratoon Crop Acres in 2011
G13	Projected 2011 Rice First Crop Yield (cwt or bbl)
G14	Projected 2011 Rice Ratoon Crop Yield (cwt or bbl)
G16	Rice Base Payment Acreage Percent
G17	Rice Direct Payment Program Yield (cwt or bbl)
G18	Rice Counter Cyclical Payment Program Yield (cwt or bbl)
G20	Rice Cash Rent (\$ per acre)
G21	Total Acres Cash Rented
G23	Rice Crop Share for Land and Water
G24	Percent of Irrigation Pumping Costs Paid by Grower
G26	Projected 2011 Diesel Price per Gallon
G27	Projected 2011 Nitrogen Price per pound of N
G28	Projected 2011 Phosphorous Price per pound of P
G29	Projected 2011 Potassium Price per pound of K
G31	2011 Rice Direct Payment (\$ per cwt.)
G32	Projected 2011 Rough Rice Market Price (\$ per cwt.)
G33	Projected 2011 World Rice Price (\$ per cwt.)

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Rice Variable Production Cost Data:

The second section of the model contains cells to enter data concerning projected variable rice production costs for the 2011 season. Costs are entered on a dollar per planted acre basis and should include the proportionate additional cost for any ratoon crop acreage. The specific data entry cells (shaded in blue) are listed below.

<u>Spreadsheet Cell</u>	<u>Description</u>
G61	Custom Aerial Application Costs (\$ per acre)
H61	Percent of Aerial Application Cost paid by grower
H62	Percent of Drying Cost paid by grower
B64	Fertilizer Material 1 Applied (name)
C64	Pounds of Fertilizer Material 1 Applied (lbs per acre)
D64	Price of Fertilizer Material 1 (\$ per ton)
H64	Percent of Fertilizer Material 1 paid by grower (%)
B65	Fertilizer Material 2 Applied (name)
C65	Pounds of Fertilizer Material 2 Applied (lbs per acre)
D65	Price of Fertilizer Material 2 (\$ per ton)
H65	Percent of Fertilizer Material 2 paid by grower (%)
B66	Fertilizer Material 3 Applied (name)
C66	Pounds of Fertilizer Material 3 Applied (lbs per acre)
D66	Price of Fertilizer Material 3 (\$ per ton)
H66	Percent of Fertilizer Material 3 paid by grower (%)
B67	Fertilizer Material 4 Applied (name)
C67	Pounds of Fertilizer Material 4 Applied (lbs per acre)
D67	Price of Fertilizer Material 4 (\$ per ton)
H67	Percent of Fertilizer Material 4 paid by grower (%)
G68	Fungicide Cost (\$ per acre)
H68	Percent of Fungicide Cost paid by grower
G69	Herbicide Cost (\$ per acre)
H69	Percent of Herbicide Cost paid by grower
G70	Insecticide Cost (\$ per acre)
H70	Percent of Insecticide Cost paid by grower
G71	Irrigation Supplies / Gate Cost (\$ per acre)
G72	Seed Cost (\$ per acre)
G73	Fertilizer Application Costs (\$ per acre)
H73	Percent of Fertilizer Application Costs paid by grower
G74	Planting Costs (\$ per acre)
G75	Hauling Costs (\$ per acre)
G76	Labor Costs (\$ per acre)
C77	Gallons of Diesel used for Tillage and Harvest (gallons per acre)
C78	Gallons of Diesel used for Irrigation (gallons per acre)
C79	Electricity Cost for Irrigation (\$ per acre)
G80	Repair and Maintenance Costs (\$ per acre)
G81	Other Variable Costs (\$ per acre)
H81	Percent of Other Costs paid by Grower
C82	Interest Rate on Operating Capital (%)
C83	Term of Operating Loan (months)

Rice Fixed Production Cost Data:

The next section of the model contains cells to enter data concerning projected fixed rice production costs for the 2011 season. Costs are entered on a total farm or total tract basis. Fixed costs per planted acre are calculated by dividing total entered fixed costs by planted acres. The specific data entry cells (shaded in blue) are listed below.

Spreadsheet Cell	Description
B91	Name of Fixed Cost Item 1
I91	Value of Fixed Cost Item 1
B92	Name of Fixed Cost Item 2
I92	Value of Fixed Cost Item 2
B93	Name of Fixed Cost Item 3
I93	Value of Fixed Cost Item 3

Net Return Calculation:

Based on the acreage, production, price and cost data entered, the model calculates net returns above variable costs (for the percent of base planted) on a per farm tract, per acre, per cwt., and per bbl. basis. Net return estimates are also included at the upper portion of the spreadsheet (cells I7:L7) to allow for quick evaluation of the impact of changing percent of base planted on net returns above variable costs. A copy of the entire model along with a set of sample data entered is included below.

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O
1		Projected 2011 Rice Farm Cash Flow Model							1/18/2011						
2		[Projected Net Returns Above Variable Production Costs]							[Enter values shaded in blue]						
3		Farm Name: ABC Rice Farm							Total Rice Net Returns Above Variable Costs						
4		Tract Name / Number: Tract 101 - Variety CL151							Per Farm Tract Per Acre Per Cwt Per Bbl						
5									\$11,642.31 \$136.37 \$2.11 \$3.41						
6		Enter Yield Unit [1 = Cwt 2 = Bbl]							(ENTER)						
7		Total Rice Base Acres							1						
8		Percent of Rice Base Planted in 2011							100.0						
9		Percent of 2011 Planted Rice Acreage Ratoon Cropped							83.3						
10		Projected 2011 Rice First Crop Yield							85.0						
11		Projected 2011 Rice Ratoon Crop Yield							0.0						
12		Rice Base Payment Acreage Percent							65.0 Cwt						
13		Rice Direct Payment Program Yield							65.0 Cwt						
14		Rice Counter Cyclical Payment Program Yield							5.525 Cwt						
15		Rice Cash Rent (\$ per acre)							83.3%						
16		Total Acres Cash Rented							42.0 Cwt						
17		Rice Crop Share for Land and Water							42.0 Cwt						
18		Percent of Irrigation Pumping Costs Paid by Grower							42.0 Cwt						
19		Projected 2011 Diesel Price per Gallon							42.0 Cwt						
20		Projected 2011 Nitrogen Price per lb. of N (46% N)							42.0 Cwt						
21		Projected 2011 Phosphorous Price per lb. of P (46% P)							42.0 Cwt						
22		Projected 2011 Potassium Price per lb. of K (60% K)							42.0 Cwt						
23		2011 Direct Payment per Cwt.							42.0 Cwt						
24		Projected 2011 Rough Rice Market Price per Cwt.							42.0 Cwt						
25		Projected 2011 World Market Price							42.0 Cwt						
26		Direct Payment per Cwt							42.0 Cwt						
27		Counter Cyclical Payment per Cwt							42.0 Cwt						
28		LDP Payment per Cwt							42.0 Cwt						
29		U.S. Rough Rice Market Price							42.0 Cwt						
30		World Rough Rice Market Price							42.0 Cwt						
31		Gross Income From Rice Production							42.0 Cwt						
32		Market Income							42.0 Cwt						
33		Direct Program Payment							42.0 Cwt						
34		Counter Cyclical Program Payment							42.0 Cwt						
35		LDP Payment							42.0 Cwt						
36		Total Rice Farm Gross Income							42.0 Cwt						
37		Rent - Land and Water							42.0 Cwt						
38		Share Rent (on Planted/Harvested Rice Acres)							42.0 Cwt						
39		Cash Rent (on Total Rice Crop Land Acres)							42.0 Cwt						
40		Gross Returns to Grower							42.0 Cwt						
41									42.0 Cwt						
42									42.0 Cwt						
43									42.0 Cwt						
44									42.0 Cwt						
45									42.0 Cwt						
46									42.0 Cwt						
47									42.0 Cwt						
48									42.0 Cwt						
49									42.0 Cwt						
50									42.0 Cwt						
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