

December 31, 2002**FEFO 03-01****CASH RENT WORKSHEET**

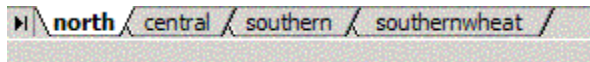
A new cash rent worksheet designed to help farmers determine the amount of cash rent that can be paid for an acre of land is available on farmdoc at the following link:

http://www.farmdoc.uiuc.edu/manage/newsletters/fefo03_01/fefo03_01.html.

A user must have Microsoft Excel version 97 or higher to operate the worksheet.

Format of the Worksheet

The worksheet consists of four sheets labeled north, central, southern, and southernwheat. These sheets respectively contain budgets applicable to northern Illinois, central Illinois, and southern Illinois. The southernwheat sheet contains corn, soybean and wheat budgets. The other tabs only include corn and soybean budgets. These sheets are indicated by the tab signs listed in the lower left hand corner of the Excel window, as indicated below.



Clicking on the respective tab will bring up the desired budget.

The sheet containing the northern Illinois budget is shown below. The sheet has two columns for corn, two for soybeans, and two for a total. The two columns for each crop and total are labeled "your figures" and "budget". The budget column gives average yields, other revenues, and costs taken from farms enrolled in Illinois Farm Business Farm Management. Entries in blue in the "your figures" column can be changed to reflect an individual farm setting.

Interpretation

The final row in the sheet is labeled "revenue less expenses". This is the amount remaining for cash rent after paying all expenses. The expense category three rows up from the bottom is labeled "operator's labor & mgmt". This is the amount that a farmer wishes to receive for their labor and management.

Users of the spreadsheet can change yields, prices, and costs to examine their impacts on amount left over for cash rent.

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How Much Cash Rent Can You Pay? Northern Illinois

	<u>Corn</u>		<u>Soybeans</u>		<u>Total</u>	
	<u>Your figures</u>	<u>Budget</u>	<u>Your figures</u>	<u>Budget</u>	<u>Your figures</u>	<u>Budget</u>
Revenue						
Percent of acres	0.55	0.55	0.45	0.45	1	1
Yield	158	158	49	49		
Price	\$2.30	\$2.30	\$5.40	\$5.40		
Crop revenue	\$363	\$363	\$265	\$265	\$319	\$319
Government payments	\$26	\$26	\$26	\$26	\$26	\$26
Total revenue	\$389	\$389	\$291	\$291	\$345	\$345
Expenses						
Fertilizer	\$54	\$54	\$19	\$19	\$38	\$38
Pesticides	33	33	29	29	31	31
Seed	34	34	20	20	28	28
Drying	10	10	0	0	6	6
Storage	6	6	4	4	5	5
Crop insurance	8	8	5	5	7	7
	0	0	0	0	0	0
Total direct expense	\$145	\$145	\$77	\$77	\$114	\$114
Revenue less expenses	\$244	\$244	\$214	\$214	\$231	\$231
Machine hire/lease	\$11	\$11	\$9	\$9	\$10	\$10
Utilities	4	4	4	4	4	4
Machine repair	16	16	15	15	16	16
Fuel and oil	10	10	9	9	10	10
Light vehicle	1	1	1	1	1	1
Machinery depreciation	29	29	24	24	27	27
	0	0	0	0	0	0
Total power expense	\$71	\$71	\$62	\$62	\$67	\$67
Total expenses	\$216	\$216	\$139	\$139	\$181	\$181
Revenue less expenses	\$173	\$173	\$152	\$152	\$164	\$164
Hired labor	\$8	\$8	\$8	\$8	\$8	\$8
Building repair and rent	4	4	4	4	4	4
Building depreciation	5	5	5	5	5	5
Insurance	5	5	5	5	5	5
Misc.	4	4	4	4	4	4
Interest	5	5	5	5	5	5
	0	0	0	0	0	0
Total overhead	\$31	\$31	\$31	\$31	\$31	\$31
Total expenses	\$247	\$247	\$170	\$170	\$212	\$212
Revenue less expenses	\$142	\$142	\$121	\$121	\$133	\$133
Operator's labor & mgmt.	\$30	\$30	\$30	\$30	\$30	\$30
Total expense	\$277	\$277	\$200	\$200	\$242	\$242
Revenue less expenses ¹	\$112	\$112	\$91	\$91	\$103	\$103

¹ Available for cash rent

