# **ARMS 3: Wheat Version**







# John Miyares Great Lakes Region





## Wheat Version: (Version 2)

#### 2022 AGRICULTURAL RESOURCE MANAGEMENT SURVEY

SURVEY CODE:

www.agcounts.usda.gov





National Agricultural Statistics Service

ECONOMIC RESEARCH SERVICE

U.S. Department of Agriculture National Agricultural Statistics Service National Processing Center 1201 East 10th Street Jeffersonville, IN 47132 Phone: 1-888-424-7828 Fax:1-812-218-2232 E-mail: nags@nass.usda.gov Wheat Costs and Returns Report – Version 2 Project Code: 904 (11/22/2022)

Please make corrections to label name, address, and ZIP code, if needed

#### Completion of this form fulfills your mandatory 2022 Census of Agriculture reporting obligations.

ASS is collecting information on the costs and returns for operating a farm or ranch in the United States and it is essential that we collect this information directly from the operators to ake the information as accurate as possible.

The information you provide will be used for statistical purposes only. Your response will be kept confidential and any person who willfully discloses ANY identifiable information about you or your operation is subject to a pail term, a fine, or both. This survey is conducted in accordance with the Confidential Information Protection and Statistical Efficiency Act of 2018, Title III of Pub. L. No. 115-435, codified in 44 U.S.C. Ch. 35 and other applicable Federal laws. For more information on how we protect your information please visit: https://www.nass.usdo.gov/confidentiality.Response is voluntary.

According to the Paperwork Reduction Act of 1995, an agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a valid COMB control number. The valid COMB control number for this information collection is of 0535-0218. The time required to complete this information collection is estimated to average 100 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of collection is collection in collections.

- Cost of production surveys are conducted for selected commodities on a rotating basis, generally every 4-8 years.
- The last Wheat Cost of Production survey was conducted for 2017.
- Wheat version is Orange





	Base survey of 2017 2021 2020 2019 2018 2017				
	2021	21 2020 2019 2018			
Gross value of production					
Primary product, grain	282.33	238.41	247.11	253.43	219.36
Secondary product, silage/straw/grazing	6.49	4.99	5.53	4.84	5.25
Total, gross value of production	288.82	243.39	252.63	258.28	224.61
Operating costs					
Seed	14.86	14.47	14.51	14.79	14.11
Fertilizer <sup>1</sup>	50.39	42.95	48.17	44.61	42.52
Chemicals	15.79	15.56	16.60	16.88	16.74
Custom services	14.33	13.70	13.72	13.61	13.53
Fuel, lube, and electricity	13.00	9.79	11.44	12.03	10.73
Repairs	27.51	25.73	25.37	24.69	23.83
Other variable expenses <sup>2</sup>	0.80	0.79	0.75	0.78	0.79
Interest on operating inputs	0.04	0.24	1.35	1.32	0.64
Total, operating costs	136.72	123.23	131.91	128.71	122.89
Allocated overhead					
Hired labor	4.43	4.23	4.03	3.85	3.66
Opportunity cost of unpaid labor	18.90	17.77	17.14	16.27	15.44
Capital recovery of machinery and					
equipment	114.15	98.40	97.41	98.55	92.30
Opportunity cost of land	62.10	60.04	59.73	59.46	57.55
Taxes and insurance	7.00	6.93	6.66	6.48	6.25
General farm overhead	9.99	9.45	9.37	9.12	8.67
Total, allocated overhead	216.57	196.82	194.34	193.73	183.87
Costs listed					
Total, costs listed	353.29	320.05	326.25	322.44	306.76
Net value					
Value of production less total costs listed	-64.47	-76.66	-73.62	-64.16	-82.15
Value of production less operating costs	152.10	120.16	120.72	129.57	101.72

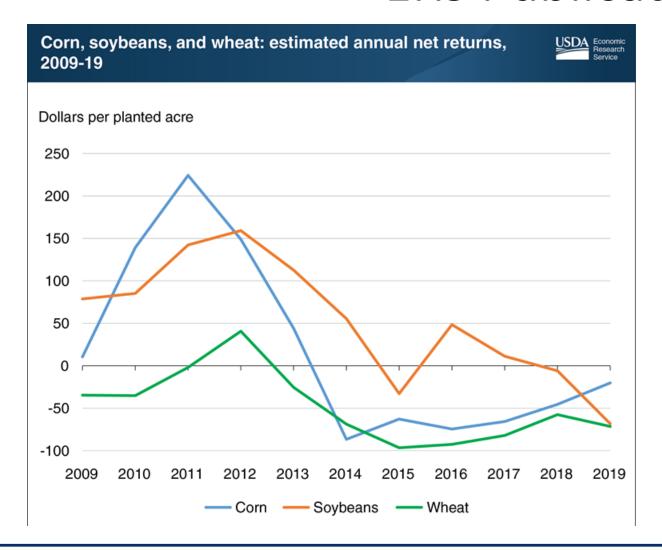
#### **Data Uses**

- This year's wheat production data collected will provide the basis for wheat cost of production for 2022 and over the next several years.
- Users: Government agencies and officials, Academics, Extension staff, Farmers, Agricultural consultants, Agricultural press





#### **ERS Publications**



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#### **ARMS Phases**

- Phase 1: May July 2022
  - Operators screened for target commodity
  - Previously Reported Data (PRD) used to reduce respondent burden.
- Phase 2: September 2022 January 2023
  - Operators from Phase 1 with wheat were contacted for field level information.
- Phase 3: January April 2023
  - ARMS 2 operators contacted to collect whole farm information.





#### Questionnaire Differences

- Vast majority of questions asked on wheat version are same as the CRR version.
- Several items in Section 32 (Operating and Capital Expenses) ask for a breakout of expenses specific to the Wheat Enterprise.
- The wheat version has one additional section not on the CRR version (section 39).
- The conclusion section in the wheat version is Section 40.





#### Section 32 Expenses

- Section 32 (Operating and Capital Expenses)
  - Sixteen additional questions breakout expenses to the Wheat Enterprise.
  - seed, fertilizer, chemicals, fuels, electricity, drying, irrigation, repairs and maintenance, insurance, labor, contract labor, payroll taxes and benefits, custom work, and landlord expenses

OPERATING EXPENSES in 2022			
	Mark "X" if None	Dollars	
<ol> <li>seeds, sets, plants, seed cleaning and treatments, transplants, trees and nursery stock? (Include technology or other fees, seed treatments, and seed cleaning cost. Exclude items purchased for resale without additional growth.)</li></ol>		\$ .00	00
a. Of the (Item 1) dollars, how much was for the WHEAT enterprise?		\$ .00	00





#### A word about expenses...

- Winter Wheat is planted in the Fall and harvested in the Spring
- Some input costs for the 2022 winter wheat crop were incurred in 2021
- Some inputs purchased in 2022 will actually be for the 2023 crop.
- Could cause some confusion if wheat is not grown every year.
- This can also affect how beginning and end of year assets are interpreted.





## Section 39: Wheat Drying

- Goal: Reduce grain moisture content to meet recommendations for safe, long-term storage.
- Most wheat should be dried to a certain moisture level, which can range between 12 and 13.5 percent, before it is stored.
- Costs of wheat drying can be significant in some years and certain locations due to annual weather conditions.
- Information collected about wheat drying systems are used in engineering relationships to estimate the operating and ownership costs of wheat drying facilities.





## Screening & Harvest Month



• Report number month 05=May, 06=June, etc.





#### How much was dried?

- Drying Systems
  - Fuel used for heat source
  - Electricity

3. How much of the 2022 wheat crop was	Bushels	OR	Percent
a. custom dried?		1865	%
b. dried by this operation?		1871	%
c. not dried?		1877	%
		a +	b + c = 100%



#### **Custom Drying Expenses**

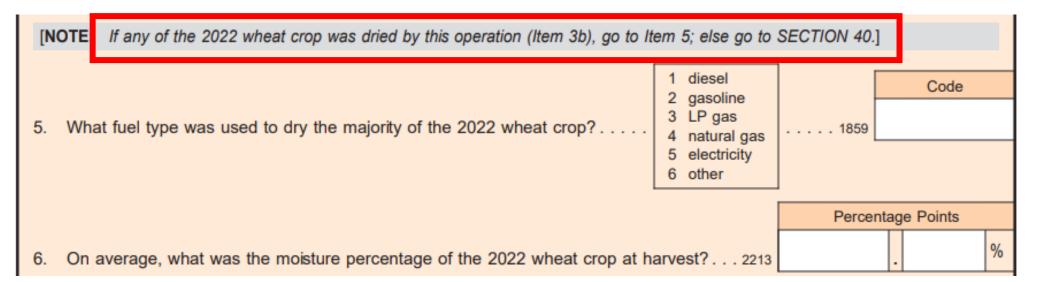
How much of the 2022 wheat crop was OR Percent Bushels % a. custom dried?... 1865 If any of the 2022 wheat crop was custom dried (Item 3a), go to Item 4; else go to Note above Item 5.] **Dollars & Cents** Total OR per Bushel Dollars How much was spent for custom drying the 2022 1830





## Dried by the Operation

3.	How much of the 2022 wheat crop was	Bushels	OR	Percent
	a. custom dried?		1865	%
	b. dried by this operation?		1871	%





## **Drying Labor**

- Report labor used to dry 2022 wheat crop
  - Include: time spent loading and unloading crop, filling and emptying dryers, and overseeing the drying
  - Exclude: custom drying labor and contract labor

	<ol> <li>How many hours of each type of labor were used to dry the 2022 wheat crop? (Include hours to unload, fill and empty dryers, and to oversee drying.)</li> </ol>	Hours
I	a. Paid and unpaid operators, partners, and family members, and other unpaid workers?	1896
I	b. Full-time hired workers? (Exclude custom and contract labor.)	1897
I	c. Part-time or seasonal hired workers? (Exclude custom and contract labor.)	1898





# **Facilities and Capacity**

8.	What type of facility was used to dry the majority of the 2022 wheat crop?	Code
		Number
	a. Of the (Item 8) type of facility, how many were used to dry the 2022 wheat crop? 1838	
		Bushels
	b. What was the TOTAL holding capacity of the type of facilities reported in 8a?  (For continuous flow or batch dryers, report the bushels per hour)	





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# Thanks for Watching!

