

MICHIGAN STATE UNIVERSITY Extension

MSU Extension ARC-PLC Decision Tool

Input:

1. Farm & Base info (FSA 156EZ)
2. Yield information (2013-2017)
3. County yield projections
4. Projected prices

Results:

1. Yield Update decision
2. ARC-PLC Program decision

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1 & 2. General Farm & Base Information

Select county of farm's *physical* location from drop-down list

Farm identifier

Step 1. Select Farm's County

County Farm located: **St. Clair** < Select County

Farm Name: **STC AVG**
Farm Number: **8756**

Step 2. Enter Farms Base Acres (FSA CCC-861) for each farm separately

Commodity	Base Acres	'18 CC Yld.	Percentage
Corn	100.00	120.0	0.0%
Soybeans	100.00	35.0	0.0%
Wheat	50.00	45.0	0.0%
Total Base Acres	250.00		

2013 thru 2017 Historical Irrigated

Yield update and program selection are separate for each crop in each FSA farm number.

"Base Acres" from DCP Crop Data section of FSA-156EZ

"PLC Yield" from FSA-156EZ

% of base acres classified as "irrigated"

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3. Yield Update Decision input

Step 3. Enter Your Actual Yields for Farm # 8756
Weighted Yield (dry and irrigated combined)

FSA Farm Number Historical Yields			
	Corn Farm Yield	Soybean Farm Yield	Wheat Farm Yield
2013	156.07	43.05	72.53
2014	158.06	38.81	67.40
2015	161.84	42.58	64.30
2016	164.94	48.56	74.30
2017	164.46	38.38	66.45
Updated CC Yield Potential	130.5	34.2	59.2

Restore Default Farm Yields

Enter your actual crop yields to be reported to FSA.

Tool's default farm yield is the county yield.

If crop not planted, leave yield blank that year (NOT 0).

Spreadsheet calculates potential PLC yield for update.

Compare directly with current PLC Yields in Step 2.

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4. County Yield input for ARC-CO

Step 4. Enter Known or Expected County Yields

2020 High Yields		2020 Low Yields		Percent of '19 Benchmark Yield		Percent of '20 Benchmark Yield	
Irrigated	Dry	Irrigated	Dry	Irrigated	Dry	Irrigated	Dry
134.6	0.0%	169.3	0.0%	80.00%	80.00%	100.00%	100.00%
35.0	0.0%	43.7	0.0%	80.00%	80.00%	100.00%	100.00%
58.0	0.0%	72.6	0.0%				

High Yield = The highest Actual County Yield in last 5 years

Low Yield = The lowest Actual County Yield in last 5 years

Restore Default County Benchmark Yields

Use 86% of County Benchmark Yields

Enter projected actual county yield each year

Buttons provide "What If" tests of projected county yields.

Default value is county benchmark yield, but user can enter projected yield or % difference from county benchmark yield.

Benchmark yield is 5-year Olympic average county yield (drops high and low) adjusted for trend. ARC-County payments are triggered when actual revenue falls below 86% of benchmark revenue.

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5. Price projections for PLC and ARC-CO

Select "base source" of price projection (Sources available in drop-down list include USDA, Hilker, and futures)

Step 5. Select or Enter Projected Prices

Base Assumptions for MYA Prices to Use: Hilker 10/3/19 < Select Base Source

Price Change from Base assumptions:

Crop Year	CORN	SOYBEANS	WHEAT
2019	\$ 4.00 0%	\$ 8.70 0%	\$ 4.76 0%
2020	\$ 3.40 0%	\$ 8.50 0%	\$ 4.95 0%

Projected Market Year Average price each year

Default is base source projection, but user can change to a specific price or % change from source's projection for "What If" testing

Restores original projection from selected base source.

Market Year Average price is the average cash price received for all crop sold in marketing year. This "MYA price" is used in calculations of PLC and ARC-CO payments.

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Results: PLC Yield Update decision

Results show:

- Greater of current or potential new PLC Yield
- Recommendation of whether to update PLC Yield

FSA Decision 1: Update Yields?

	CORN ?	SOYS ?	WHEAT ?
Choose Highest Yield for Each Crop-->	130.5 YES	34.2 YES	59.2 YES
	<input checked="" type="checkbox"/> Yes	<input checked="" type="checkbox"/> Yes	<input checked="" type="checkbox"/> Yes

Select yield to use for calculating PLC payment for ARC-PLC Program Decision analysis

- Checkmark = use 2013-2017 yields from Step 3
- Unchecked = use original PLC Yields from Step 2

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Results: PLC or ARC-CO

Total FSA Decision 2: 2019 and 2020 Combined Program Choice? Total payments 2019-2020 for all crops: Choose Resulting Highest 2yr Total Program Payments: for each crop:

	2yr Total Program Payments	CORN 2 yrs	SOYBEANS 2 yrs	WHEAT 2 yrs	
PLC	\$ 6,127	\$ 3,327	\$ -	\$ 2,800	PLC
ARC-CO	\$ 5,138	\$ -	\$ 3,442	\$ 1,696	ARC-CO
Highest	NA	NA	NA	NA	Highest
combo	\$ 9,569	\$ 3,327	\$ 3,442	\$ 2,800	
	\$ 4,431 Difference Max vs Min				
	NA Difference ARC-CO vs ARC-IC				
	\$ 38.28 Total Payments per Base Acre (2 yrs combined)	Total of 2019 & 2020			
	\$ 19.14 Average Payment per Base Acre per year	Average of 2019 & 2020			

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Program Choice and Payments by Year and by Crop

	2019	2020
PLC Wheat	\$1,415	\$1,385
PLC Soys	\$-	\$-
PLC Corn	\$-	\$3,327
ARC-CO Wheat	\$1,696	\$-
ARC-CO Soys	\$3,442	\$-
ARC-CO Corn	\$-	\$-