

TABLE B32. Summary of per acre costs and returns for a 1,000 acre farm with above average management, Southern Quay County, 2001.

	GRAIN	
	WHEAT DRYLAND	SORGHUM SPRINKLER
	BU	CWT
PRIMARY YIELD	22.00	44.00
PRIMARY PRICE	2.60	3.75
GOVERNMENT PAYMENTS	10.43	25.52
SECOND INCOME	5.00	0.00
GROSS RETURN	\$72.63	\$190.52
CASH OPERATING EXPENSES		
SEED	\$4.00	\$5.55
FERTILIZER		\$37.60
CHEMICALS		\$16.64
CROP INSURANCE	\$0.08	\$0.14
OTHER PURCHASED INPUTS		
CANAL WATER		
FUEL, OIL & LUBRICANTS-EQUIPMENT	\$6.86	\$11.39
FUEL-IRRIGATION		\$43.19
REPAIRS	\$5.91	\$14.58
CUSTOM CHARGES		
LAND TAXES	\$0.33	\$0.84
OTHER EXPENSES	\$11.46	\$21.34
TOTAL CASH EXPENSES	\$28.65	\$151.28
RETURN OVER CASH EXPENSES	\$43.98	\$39.24
FIXED EXPENSES	\$22.66	\$55.18
TOTAL EXPENSES	\$51.31	\$206.46
NET FARM INCOME	\$21.32	(\$15.94)
LABOR AND MANAGEMENT COSTS	\$14.72	\$39.55
NET OPERATING PROFIT	\$6.60	(\$55.49)
CAPITAL COSTS		
INTEREST ON OPERATING CAPITAL	\$0.42	\$4.08
INTEREST ON EQUIPMENT INVESTMENT	\$14.14	\$29.65
TOTAL CAPITAL COSTS	\$14.57	\$33.72
RETURN TO LAND AND RISK	(\$7.97)	(\$89.21)

TABLE C32. Whole farm summary, Southern Quay County, 2001.

GROSS RETURNS		
WHEAT	608 ACRES	
CROP		\$34,763
GRAZING		\$3,039
ASCS DEFICIENCY		\$6,338
ASCS DIVERSION		\$0
GRAIN SORGHUM	357 ACRES	
CROP		\$58,946
ASCS DIVERSION		\$0
ASCS DEFICIENCY		\$5,423
GROSS RETURN		<u>\$108,509</u>
CASH OPERATING EXPENSES		
SEED		\$4,414
FERTILIZER		\$13,433
CHEMICALS		\$5,945
CROP INSURANCE		\$100
OTHER PURCHASED INPUTS		\$0
CANAL WATER		\$0
FUEL, OIL & LUBRICANTS-EQUIPMENT		\$8,236
FUEL-IRRIGATION		\$15,429
REPAIRS		\$8,802
CUSTOM CHARGES		\$0
LAND TAXES		\$503
OTHER EXPENSES		\$14,592
TOTAL CASH EXPENSES		<u>\$71,453</u>
RETURN OVER CASH EXPENSES		\$37,056
FIXED EXPENSES		\$33,486
TOTAL EXPENSES		\$104,940
NET FARM INCOME		\$3,569
LABOR AND MANAGEMENT COSTS		\$23,075
NET OPERATING PROFIT		(\$19,506)
CAPITAL COSTS		
INTEREST ON OPERATING CAPITAL		\$1,714
INTEREST ON EQUIPMENT INVESTMENT		\$19,187
TOTAL CAPITAL COSTS		<u>\$20,901</u>
RETURN TO LAND AND RISK		<u>(\$40,407)</u>

LAND VALUE	RETURN TO RISK*	RETURN ON INVESTMENT**
\$150 /ACRE	(\$46,407)	-4.92%
\$300 /ACRE	(\$52,407)	-3.57%
\$450 /ACRE	(\$58,407)	-2.80%
\$600 /ACRE	(\$64,407)	-2.30%
\$750 /ACRE	(\$70,407)	-1.96%
\$900 /ACRE	(\$76,407)	-1.70%

* RETURN TO LAND AND RISK MINUS (INTEREST RATE TIMES LAND VALUE TIMES ACREAGE)

** NET OPERATING PROFIT DIVIDED BY (MACHINERY AND EQUIPMENT VALUE PLUS LAND VALUE)