

TABLE 1. Basic cost information for Union County, 2002.

Item		
<b>Labor Wage Rate:</b>		
Equipment operators	\$/hour	\$7.55
General & Irrigators	\$/hour	\$6.65
<b>Purchased Inputs:</b>		
<b>Fertilizer:</b>		
Nitrogen (N (N))	\$/pound	\$0.32
Phosphate (P205)	\$/pound	\$0.30
<b>Seed:</b>		
Wheat	\$/pound	\$0.16
Corn for Grain	\$/bag	\$89.75
Grain Sorghum	\$/pound	\$1.11
Haygrazer/Millet	\$/pound	\$0.38
<b>Natural gas (service charge)</b>		
	\$/MCF	\$3.28
	\$/month	\$10.00
Diesel fuel	\$/gallon	\$1.05
Gasoline	\$/gallon	\$1.00
Electricity	cents/KwHr	5.45
LP Gas	\$/gallon	\$0.86
Baling Twine	\$/roll	\$25.00
Employee Liability Insurance	\$/ \$1,000 wages	\$20.00
Employee Benefits	percent/wages	18.00%
Labor Downtime	percent	25.00%
<b>Financial Rates:</b>		
Operating Capital Interest Rate	percent	8.00%
Land Interest Rate	percent	7.50%
Equipment Interest Rate	percent	8.00%
Real Interest Rate	percent	4.00%
Land Taxes	\$27.00 /acre	\$0.28
Personal Property Tax Rate - NR	\$/ \$1,000 (Assessed Value)	\$30.93
- R		\$27.08
<b>Supervision Factors</b>		
Field Crop-Irrigation	\$/labor hour	\$1.00
Field Crop-Equipment & General	\$/labor hour	\$0.50
Management Rate	percent	7.00%

BUDGET AREA..... UNION COUNTY, 2002.  
 FARM SIZE..... 1280 ACRES  
 IRRIGATION TYPE..... SPRINKLER  
 NUMBER OF CROPS... 4

		WATER USE	
ACREAGE SUMMARY:	LAND USE (ACRES)	AC.IN. PER AC.	TOTAL AC.IN.
WHEAT	446.25	11	4,909
ARP	0.00		
FLEX IN WHEAT	78.75	11	866
CORN	178.50	34	6,069
ARP	0.00		
FLEX IN WHEAT	31.50	11	347
GRAIN SORGHUM	267.75	12	3,213
ARP	0.00		
FLEX IN WHEAT	47.25	11	520
HAYGRAZER	190.00		
ROADS, HOMESTEAD	40.00		
<b>TOTAL</b>	<b>1280.00</b>		<b>15,923</b>
<b>ACRE FEET PER ACRE OF WATER RIGHTS</b>			<b>1.04</b>

TABLE 1a. Overhead cost information for Union County, 2002.

ITEM		
Electricity (Domestic & Shop)		\$5,040
Telephone		\$2,460
Accounting & Legal		\$3,135
Misc. Supplies & Hand Tools		\$3,805
Pickup and Auto		
miles	31,000 @ \$0.345 per mile	\$10,695
<b>Insurance</b>		
- general liability (non-employee)		\$3,910
- fire/theft		\$1,985
<b>Property Taxes</b>		
- non-planted land		\$16
- other than land & machinery		\$955
Building repairs and maintenance		\$1,655
Dues, fees, publications		\$380
Farmstead Equipment		\$245
	<b>Total</b>	<b>\$34,281</b>
	Total per planted acre	\$26.82
	Total per dryland acre	\$5.36

TABLE 2. Pumping costs and data for irrigation wells, Union County, 2002.

INPUT DATA

DELIVERY PSI:		DEPTH CHARACTERISTICS:	
SPRINKLER.....	30	STATIC.....	180
		DRAW DOWN.....	50
		TOTAL HEAD.....	230
		CASING.....	400
GALLONS PER MINUTE (GPM).....	700		
WORK HORSEPOWER.....	53		
EFFICIENCY FACTOR:			
ELECTRICITY.....	0.540		
NATURAL GAS.....	0.140		
LP GAS.....	0.140		
DIESEL.....	0.180		
FUEL COST PER UNIT:			
ELECTRICITY.....	5.45	CENTS/KwHr	
NATURAL GAS.....	\$3.28	\$/MCF	
LP GAS.....	\$0.86	\$/GAL	
DIESEL.....	\$1.05	\$/GAL	

FUEL PUMPING COSTS

ELECTRIC WELL:	
COST PER HOUR.....	\$4.02
COST PER ACRE INCH.....	\$2.60
NATURAL GAS WELL:	
COST PER HOUR.....	\$3.49
COST PER ACRE INCH.....	\$2.26
LP GAS WELL:	
COST PER HOUR.....	\$9.03
COST PER ACRE INCH.....	\$5.84
DIESEL WELL:	
COST PER HOUR.....	\$5.58
COST PER ACRE INCH.....	\$3.60

TABLE 3. Equipment summary for a 1,280 acre sprinkler-irrigated farm with above average management, Union County, 2000.

EQUIPMENT	ANNUAL HOURS OF USE			VARIABLE COSTS				FIXED COSTS		
				TOTAL VALUE	FUEL & LUBRICANT	REPAIR	FUEL, LUBE PER HR	REPAIR PER HR	DEPRECIATION	TAXES
ITEM & SIZE	HOURS	NUMBER	VALUE							
TRACTOR 93 HP	158	1	\$23,030	\$1,121	\$744	\$7.11	\$4.72	\$1,226	\$221	\$9.18
TRACTOR 126 HP	244	1	\$39,725	\$1,808	\$934	\$7.42	\$3.84	\$2,740	\$353	\$12.70
TRACTOR 185 HP	361	1	\$47,275	\$3,936	\$3,572	\$10.90	\$9.89	\$5,995	\$464	\$17.88
COMBINE 145 HP	158	1	\$57,005	\$1,469	\$0	\$9.32	\$0.00	\$7,600	\$588	\$51.92
SWATHER 14 FT	30	1	\$5,100	\$120	\$53	\$3.93	\$1.74	\$1,450	\$149	\$52.61
ROUND BALER	32	1	\$3,500		\$18		\$0.55	\$550	\$57	\$18.78
PLANTER 8-ROW	54	1	\$5,500		\$577		\$10.78	\$733	\$57	\$14.75
CHISEL HAYMIE 21 FT	112	1	\$1,650		\$105		\$0.94	\$220	\$17	\$2.12
ROLLING CULTIVATOR 8-ROW	62	1	\$4,000		\$155		\$2.48	\$533	\$41	\$9.20
DISC 28 FT	174	1	\$10,000		\$0		\$0.00	\$1,333	\$103	\$8.27
DRILL 21 FT	95	1	\$4,500		\$1,080		\$11.34	\$900	\$46	\$9.94
CORN HEAD 8-ROW	36	1	\$11,100		\$232		\$6.50	\$1,667	\$129	\$50.30
GRAIN TABLE 22 FT	122	1	\$4,150		\$156		\$1.28	\$501	\$39	\$4.43
SPRAYER 30 FT	45	1	\$1,500		\$122		\$2.73	\$200	\$15	\$4.83
GRAIN CART	158	1	\$3,100		\$0		\$0.00	\$413	\$32	\$2.82
SEMI-TRACTOR/TRAILER	120	1	\$16,000	\$1,507	\$1,866	\$12.53	\$15.52	\$3,200	\$165	\$27.99
TANDEM-AXLE TRUCK	37	1	\$9,100	\$262	\$191	\$6.99	\$5.10	\$1,820	\$94	\$51.06
MINI-GATOR SPRINKLER	10295	2	\$5,600	\$915	\$206	\$0.09	\$0.02	\$747	\$58	\$0.08
CENTER PIVOT SPRINKLER	10295	5	\$75,000	\$4,864	\$9,317	\$0.47	\$0.91	\$10,000	\$773	\$1.05
NATURAL GAS WELL	10295	3	\$61,500	\$35,911	\$2,342	\$3.49	\$0.23	\$6,474	\$634	\$0.73
			\$388,335	\$51,912	\$21,670			\$48,302	\$4,035	

TABLE 4. Wheat, sprinkler-irrigated, budgeted per acre costs and returns for a 1,280 acre farm with above average management, Union County, 2002.  
 Planting dates: August 15 - November 15  
 Harvesting dates: July 1 - July 15

ITEM	PRICE	YIELD							TOTAL
<b>GROSS RETURNS</b>									
WHEAT	\$3.40	80.00	BUSHEL						\$272.00
ASCS DEFICIENCY	\$0.474	80.00	BUSHEL						\$37.92
ASCS DIVERSION	\$0.00								\$0.00
GRAZING	\$37.50	1.00	ACRE						\$37.50
<b>TOTAL</b>									<b>\$347.42</b>
PURCHASED INPUTS		PRICE	QUANTITY	PURCHASED INPUTS					TOTAL
SEED	\$0.16	100	LBS	\$16.00					\$16.00
MANURE	\$2.70	8	TON	\$21.60					\$21.60
LIVESTOCK FAC & EQUIP						\$5.00			\$5.00
PUMP WATER*		11	AC. IN.						\$0.08
CROP INSURANCE	\$0.08								\$0.08
<b>SUBTOTAL</b>				<b>\$37.60</b>		<b>\$5.00</b>			<b>\$42.68</b>
PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE		PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
DISC	185 HP	0.07	HR		\$0.53	\$0.76	\$0.69	\$1.83	\$3.81
CHISEL	185 HP	0.09	HR		\$0.68	\$0.98	\$0.97	\$1.80	\$4.44
DISC	185 HP	0.07	HR		\$0.53	\$0.76	\$0.69	\$1.83	\$3.81
DRILL	126 HP	0.12	HR		\$0.91	\$0.89	\$1.82	\$2.72	\$6.33
IRRIGATE (7X)		0.70	HR		\$4.66	\$28.80	\$8.20	\$13.16	\$54.81
<b>SUBTOTAL</b>		<b>1.05</b>	<b>HR</b>		<b>\$7.30</b>	<b>\$32.20</b>	<b>\$12.38</b>	<b>\$21.33</b>	<b>\$73.21</b>
<b>HARVEST OPERATIONS</b>									
COMBINE	GRAIN TABLE	0.14	HR		\$1.06	\$1.30	\$0.18	\$7.89	\$10.43
GRAIN CART	93 HP	0.14	HR		\$1.06	\$0.99	\$0.66	\$1.68	\$4.39
HAUL	SEMI	0.14	HR		\$1.06	\$1.75	\$2.17	\$3.92	\$8.90
<b>SUBTOTAL</b>		<b>0.42</b>	<b>HR</b>	<b>\$0.00</b>	<b>\$3.17</b>	<b>\$4.05</b>	<b>\$3.01</b>	<b>\$13.49</b>	<b>\$23.72</b>
<b>OVERHEAD EXPENSES</b>									
DOWNTIME		0.19	HR		\$1.45				\$1.45
EMPLOYEE BENEFITS					\$1.88				\$1.88
INSURANCE				\$0.21				\$0.21	
LAND TAXES							\$0.28	\$0.28	
SUPERVISION AND MANAGEMENT					\$25.40				\$25.40
OTHER EXPENSES				\$26.82				\$26.82	
<b>SUBTOTAL</b>		<b>0.19</b>	<b>HR</b>	<b>\$27.03</b>	<b>\$28.74</b>			<b>\$0.28</b>	<b>\$56.05</b>
<b>TOTAL OPERATING EXPENSES</b>		<b>1.66</b>	<b>HR</b>	<b>\$64.63</b>	<b>\$39.21</b>	<b>\$36.25</b>	<b>\$15.39</b>	<b>\$40.10</b>	<b>\$195.67</b>
<b>NET OPERATING PROFIT</b>									<b>\$151.75</b>
INTEREST ON OPERATING CAPITAL	(	\$30.57	@	8.00%				)	\$2.45
INTEREST ON EQUIPMENT INVESTMENT									\$14.59
<b>RETURN TO LAND AND RISK</b>									<b>\$134.72</b>

\* Pump water costs are shown under irrigation in the preharvest operations sections.

**BUDGET SUMMARY**

GROSS RETURN		\$347.42	
VARIABLE OPERATING EXPENSES	\$116.27		
RETURN OVER VARIABLE EXPENSES		\$231.15	(GROSS MARGIN)
FIXED EXPENSES	\$40.10		
NET FARM INCOME		\$191.05	(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$39.21		
NET OPERATING PROFIT		\$151.84	(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$17.04		
RETURN TO LAND AND RISK		\$134.80	

TABLE 5. Corn for grain, sprinkler-irrigated, budgeted per acre costs and returns for a 1,280 acre farm with above average management, Union County, 2002.  
 Planting dates: April 15 - May 15  
 Harvesting dates: October 1 - November 15

ITEM	PRICE	YIELD							TOTAL
<b>GROSS RETURNS</b>									
CORN FOR GRAIN	\$2.15	200.00	BUSHEL						\$430.00
ASCS DEFICIENCY	\$0.269	200.00	BUSHEL						\$53.80
ASCS DIVERSION	\$0.00	0.00	BUSHEL						\$0.00
GRAZING	\$20.00	1.00	ACRE						\$20.00
<b>TOTAL</b>									<b>\$503.80</b>
PURCHASED INPUTS		PRICE	QUANTITY	PURCHASED INPUTS					TOTAL
SEED	\$1.12	26	000	\$29.17					\$29.17
NITROGEN (N)	\$0.32	220	LBS	\$70.40					\$70.40
PHOSPHATE (P2O5)	\$0.30	70	LBS	\$21.00					\$21.00
POTASSIUM (K-MAG)	\$0.12	300	LBS	\$34.50					\$34.50
INSECTICIDE	\$20.00	3	ACRE	\$60.00					\$60.00
HERBICIDE	\$27.50	1	ACRE	\$27.50					\$27.50
LIVESTOCK FAC & EQUIP					\$5.00				\$5.00
PUMP WATER*		34	AC. IN.						
CROP INSURANCE	\$0.28								\$0.28
<b>SUBTOTAL</b>				<b>\$242.57</b>		\$5.00			<b>\$247.85</b>
PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE		PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
DISC	185 HP	0.07	HR		\$0.53	\$0.76	\$0.69	\$1.83	\$3.81
CHISEL	185 HP	0.09	HR		\$0.68	\$0.98	\$0.97	\$1.80	\$4.44
DISC & SPRAY	185 HP	0.10	HR		\$0.76	\$1.09	\$1.26	\$3.10	\$6.20
PLANTER	126 HP	0.12	HR		\$0.91	\$0.89	\$1.75	\$3.29	\$6.84
ROLLING CULT (2X)	126 HP	0.20	HR		\$1.51	\$1.48	\$1.26	\$4.38	\$8.64
SIDEDRESS	185 HP	0.17	HR		\$1.28	\$1.85	\$1.68	\$3.04	\$7.86
IRRIGATE (16X)		1.60	HR		\$10.64	\$89.02	\$25.33	\$40.67	\$165.66
<b>SUBTOTAL</b>		<b>2.35</b>	<b>HR</b>		<b>\$16.30</b>	<b>\$96.08</b>	<b>\$32.96</b>	<b>\$58.11</b>	<b>\$203.45</b>
<b>HARVEST OPERATIONS</b>									
COMBINE	CORN HEAD	0.20	HR		\$1.51	\$1.86	\$1.30	\$20.44	\$25.12
GRAIN CART	93 HP	0.20	HR		\$1.51	\$1.42	\$0.94	\$2.40	\$6.28
HAUL	SEMI	0.20	HR		\$1.51	\$2.51	\$3.10	\$5.60	\$12.72
<b>SUBTOTAL</b>		<b>0.60</b>	<b>HR</b>	<b>\$0.00</b>	<b>\$4.53</b>	<b>\$5.79</b>	<b>\$5.35</b>	<b>\$28.44</b>	<b>\$44.11</b>
<b>OVERHEAD EXPENSES</b>									
DOWNTIME		0.30	HR		\$2.23				\$2.23
EMPLOYEE BENEFITS					\$3.75				\$3.75
INSURANCE				\$0.42					\$0.42
LAND TAXES							\$0.28		\$0.28
SUPERVISION AND MANAGEMENT					\$38.51				\$38.51
OTHER EXPENSES				\$26.82					\$26.82
<b>SUBTOTAL</b>		<b>0.30</b>	<b>HR</b>	<b>\$27.24</b>	<b>\$44.48</b>			<b>\$0.28</b>	<b>\$72.00</b>
<b>TOTAL OPERATING EXPENSES</b>		<b>3.25</b>	<b>HR</b>	<b>\$269.81</b>	<b>\$65.32</b>	<b>\$101.87</b>	<b>\$38.31</b>	<b>\$91.83</b>	<b>\$567.41</b>
<b>NET OPERATING PROFIT</b>									<b>(\$63.61)</b>
INTEREST ON OPERATING CAPITAL		(	\$161.36	@	8.00%				\$12.91
INTEREST ON EQUIPMENT INVESTMENT									\$33.60
<b>RETURN TO LAND AND RISK</b>									<b>(\$110.12)</b>

\* Pump water costs are shown under irrigation in the preharvest operations sections.

**BUDGET SUMMARY**

GROSS RETURN		\$503.80	
VARIABLE OPERATING EXPENSES	\$409.99		
RETURN OVER VARIABLE EXPENSES		\$93.81	(GROSS MARGIN)
FIXED EXPENSES	\$91.83		
NET FARM INCOME		\$1.98	(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$65.32		
NET OPERATING PROFIT		(\$63.33)	(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$46.51		
RETURN TO LAND AND RISK		(\$109.84)	

TABLE 6. Grain sorghum, sprinkler-irrigated, budgeted per acre costs and returns for a 1,280 acre farm with above average management, Union County, 2002.  
 Planting dates: May 15 - June 15  
 Harvesting dates: October 15 - November 15

ITEM	PRICE	YIELD							TOTAL
<b>GROSS RETURNS</b>									
GRAIN SORGHUM	\$3.75	45.00	CWT						\$168.75
ASCS DEFICIENCY	\$0.58	45.00	CWT						\$26.10
ASCS DIVERSION	\$0.00	0.00	CWT						\$0.00
GRAZING	\$5.00	1.00	ACRE						\$5.00
<b>TOTAL</b>									<b>\$199.85</b>
PURCHASED INPUTS		PRICE	QUANTITY	PURCHASED INPUTS					TOTAL
SEED	\$1.11	5	LBS	\$5.55					\$5.55
NITROGEN (N)	\$0.32	150	LBS	\$48.00					\$48.00
PHOSPHATE (P205)	\$0.30	50	LBS	\$15.00					\$15.00
HERBICIDE	\$27.50	1	ACRE	\$27.50					\$27.50
LIVESTOCK FAC & EQUIP						\$5.00			\$5.00
PUMP WATER*		12	AC. IN.						\$0.19
CROP INSURANCE	\$0.19								\$0.19
<b>SUBTOTAL</b>				<b>\$96.05</b>		<b>\$5.00</b>			<b>\$101.24</b>
PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE		PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
DISC	185 HP	0.07	HR		\$0.53	\$0.76	\$0.69	\$1.83	\$3.81
CHISEL	185 HP	0.09	HR		\$0.68	\$0.98	\$0.97	\$1.80	\$4.44
DISC & SPRAY	185 HP	0.10	HR		\$0.76	\$1.09	\$1.26	\$3.10	\$6.20
PLANTER	126 HP	0.12	HR		\$0.91	\$0.89	\$1.75	\$3.29	\$6.84
ROLLING CULT.	126 HP	0.10	HR		\$0.76	\$0.74	\$0.63	\$2.19	\$4.32
SIDEDRESS	185 HP	0.17	HR		\$1.28	\$1.85	\$1.68	\$3.04	\$7.86
IRRIGATE (6X)		0.60	HR		\$3.99	\$31.42	\$8.94	\$14.35	\$58.70
<b>SUBTOTAL</b>		<b>1.25</b>	<b>HR</b>		<b>\$8.90</b>	<b>\$37.74</b>	<b>\$15.94</b>	<b>\$29.61</b>	<b>\$92.18</b>
<b>HARVEST OPERATIONS</b>									
COMBINE	GRAIN TABLE	0.14	HR		\$1.06	\$1.30	\$0.18	\$7.89	\$10.43
GRAIN TABLE	93 HP	0.14	HR		\$1.06	\$0.99	\$0.66	\$1.68	\$4.39
HAUL	2 TON	0.14	HR		\$1.06	\$0.98	\$0.71	\$7.15	\$9.90
<b>SUBTOTAL</b>		<b>0.42</b>	<b>HR</b>		<b>\$0.00</b>	<b>\$3.17</b>	<b>\$3.28</b>	<b>\$1.55</b>	<b>\$16.72</b>
<b>OVERHEAD EXPENSES</b>									
DOWNTIME		0.23	HR		\$1.70				\$1.70
EMPLOYEE BENEFITS					\$2.17				\$2.17
INSURANCE				\$0.24				\$0.24	
LAND TAXES							\$0.28	\$0.28	
SUPERVISION AND MANAGEMENT					\$15.25				\$15.25
OTHER EXPENSES				\$26.82				\$26.82	
<b>SUBTOTAL</b>		<b>0.23</b>	<b>HR</b>		<b>\$27.07</b>	<b>\$19.12</b>		<b>\$0.28</b>	<b>\$46.46</b>
<b>TOTAL OPERATING EXPENSES</b>		<b>1.90</b>	<b>HR</b>		<b>\$123.12</b>	<b>\$31.19</b>	<b>\$41.01</b>	<b>\$17.49</b>	<b>\$51.60</b>
<b>NET OPERATING PROFIT</b>									<b>(\$64.75)</b>
INTEREST ON OPERATING CAPITAL	(	\$61.94	@	8.00%					\$4.96
INTEREST ON EQUIPMENT INVESTMENT									\$20.58
<b>RETURN TO LAND AND RISK</b>									<b>(\$90.28)</b>

\* Pump water costs are shown under irrigation in the preharvest operations sections.

**BUDGET SUMMARY**

GROSS RETURN		\$199.85	
VARIABLE OPERATING EXPENSES	\$181.62		
RETURN OVER VARIABLE EXPENSES		\$18.23	(GROSS MARGIN)
FIXED EXPENSES	\$51.60		
NET FARM INCOME		(\$33.37)	(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$31.19		
NET OPERATING PROFIT		(\$64.56)	(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$25.53		
RETURN TO LAND AND RISK		(\$90.09)	

TABLE 7. Haygrazer/millet, dryland, budgeted per acre costs and returns for a 1,280 acre farm with above average management, Union County, 2002.  
 Planting dates: June 1 - June 15  
 Harvesting dates: September 1 - September 15

ITEM	PRICE	YIELD		PURCHASED INPUTS					TOTAL
GROSS RETURNS									
HAY	\$90.00	1.50	TONS (STACKED)						\$135.00
TOTAL									\$135.00
PURCHASED INPUTS	PRICE	QUANTITY		PURCHASED INPUTS					TOTAL
SEED	\$0.38	6	LBS	\$2.28					\$2.28
HERBICIDE	\$14.45	1	ACRE	\$14.45					\$14.45
BALING TWINE	\$25.00	0.13	ROLL	\$3.33					\$3.33
SUBTOTAL				\$20.06					\$20.06
PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE		PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
CHISEL	185 HP	0.09	HR		\$0.68	\$0.98	\$0.97	\$1.80	\$4.44
DISC	185 HP	0.07	HR		\$0.53	\$0.76	\$0.69	\$1.83	\$3.81
DRILL	126 HP	0.12	HR		\$0.91	\$0.89	\$1.82	\$2.72	\$6.33
SUBTOTAL		0.28	HR		\$2.11	\$2.63	\$3.49	\$6.35	\$14.58
HARVEST OPERATIONS									
SWATHER		0.16	HR		\$1.21	\$0.63	\$0.28	\$8.42	\$10.53
BALER	126 HP	0.17	HR		\$1.28	\$1.26	\$0.75	\$5.35	\$8.64
SUBTOTAL		0.33	HR	\$0.00	\$2.49	\$1.89	\$1.02	\$13.77	\$19.18
OVERHEAD EXPENSES									
DOWNTIME		0.15	HR		\$1.15				\$1.15
EMPLOYEE BENEFITS					\$0.83				\$0.83
INSURANCE				\$0.09					\$0.09
LAND TAXES							\$0.28		\$0.28
SUPERVISION AND MANAGEMENT					\$9.76				\$9.76
OTHER EXPENSES				\$5.36					\$5.36
SUBTOTAL		0.15	HR	\$5.46	\$11.74		\$0.28		\$17.47
TOTAL OPERATING EXPENSES		0.43	HR	\$25.52	\$16.34	\$4.52	\$4.51	\$20.40	\$71.29
NET OPERATING PROFIT									\$63.71
INTEREST ON OPERATING CAPITAL	(	\$11.80	@	8.00%	)				\$0.94
INTEREST ON EQUIPMENT INVESTMENT									\$14.16
RETURN TO LAND AND RISK									\$48.61

\* Pump water costs are shown under irrigation in the preharvest operations sections.

BUDGET SUMMARY

GROSS RETURN		\$135.00	
VARIABLE OPERATING EXPENSES	\$34.55		
RETURN OVER VARIABLE EXPENSES		\$100.45	(GROSS MARGIN)
FIXED EXPENSES	\$20.40		
NET FARM INCOME		\$80.05	(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$16.34		
NET OPERATING PROFIT		\$63.71	(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$15.10		
RETURN TO LAND AND RISK		\$48.61	

TABLE 8. Summary of per acre costs and returns for a 1,280 acre farm with above average management, Union County, 2002.

	WHEAT ----SPRINKLER----	CORN FOR GRAIN	GRAIN SORGHUM	HAYGRAZER & MILLET -DRYLAND-
	BU	BU	CWT	TONS
PRIMAR YIELD	80.00	200.00	45.00	1.50
PRIMARY PRICE	3.40	2.15	3.75	90.00
GOVERNMENT PAYMENTS	37.92	53.80	26.10	0.00
SECOND INCOME	37.50	20.00	5.00	0.00
GROSS RETURN	\$347.42	\$503.80	\$199.85	\$135.00
CASH OPERATING EXPENSES				
SEED	\$16.00	\$29.17	\$5.55	\$2.28
FERTILIZER	\$21.60	\$125.90	\$63.00	
CHEMICALS		\$87.50	\$27.50	\$14.45
CROP INSURANCE	\$0.08	\$0.28	\$0.19	
OTHER PURCHASED INPUTS				\$3.33
CANAL WATER				
FUEL, OIL & LUBRICANTS-EQUIPMENT	\$7.45	\$12.85	\$9.60	\$4.52
FUEL-IRRIGATION	\$28.80	\$89.02	\$31.42	
REPAIRS	\$15.39	\$38.31	\$17.49	\$4.51
CUSTOM CHARGES				\$0.00
LAND TAXES	\$0.28	\$0.28	\$0.28	\$0.28
OTHER EXPENSES	\$27.03	\$27.24	\$27.07	\$5.46
TOTAL CASH EXPENSES	\$116.64	\$410.55	\$182.09	\$34.83
RETURN OVER CASH EXPENSES	\$230.78	\$93.25	\$17.76	\$100.17
FIXED EXPENSES	\$39.82	\$91.55	\$51.32	\$20.12
TOTAL EXPENSES	\$156.46	\$502.10	\$233.41	\$54.95
NET FARM INCOME	\$190.96	\$1.70	(\$33.56)	\$80.05
LABOR AND MANAGEMENT COSTS	\$39.21	\$65.32	\$31.19	\$16.34
NET OPERATING PROFIT	\$151.75	(\$63.61)	(\$64.75)	\$63.71
CAPITAL COSTS				
INTEREST ON OPERATING CAPITAL	\$2.45	\$12.91	\$4.96	\$0.94
INTEREST ON EQUIPMENT INVESTMENT	\$14.59	\$33.60	\$20.58	\$14.16
TOTAL CAPITAL COSTS	\$17.04	\$46.51	\$25.53	\$15.10
RETURN TO LAND AND RISK	\$134.72	(\$110.12)	(\$90.28)	\$48.61

TABLE 9. Whole farm summary, Union County, 2002

GROSS RETURNS		
WHEAT	604 ACRES	
CROP		\$164,220
GRAZING		\$22,641
ASCS DEFICIENCY		\$16,922
ASCS DIVERSION		\$0
CORN FOR GRAIN	179 ACRES	
CROP		\$76,755
GRAZING		\$3,570
ASCS DEFICIENCY		\$9,603
ASCS DIVERSION		\$0
GRAIN SORGHUM	268 ACRES	
CROP		\$45,183
GRAZING		\$1,339
ASCS DEFICIENCY		\$6,988
ASCS DIVERSION		\$0
HAYGRAZER/MILLET	190 ACRES	
CROP		\$25,650
GROSS RETURN		<u>\$372,871</u>
CASH OPERATING EXPENSES		
SEED		\$16,786
FERTILIZER		\$52,382
CHEMICALS		\$25,726
CROP INSURANCE		\$150
OTHER PURCHASED INPUTS		\$633
CANAL WATER		\$0
FUEL, OIL & LUBRICANTS-EQUIPMENT		\$10,222
FUEL-IRRIGATION		\$41,690
REPAIRS		\$21,670
CUSTOM CHARGES		\$0
LAND TAXES		\$345
OTHER EXPENSES		\$29,468
TOTAL CASH EXPENSES		<u>\$199,073</u>
RETURN OVER CASH EXPENSES		\$173,798
FIXED EXPENSES		\$57,947
TOTAL EXPENSES		\$257,020
NET FARM INCOME		\$115,850
LABOR AND MANAGEMENT COSTS		\$46,788
NET OPERATING PROFIT		\$69,063
CAPITAL COSTS		
INTEREST ON OPERATING CAPITAL		\$5,287
INTEREST ON EQUIPMENT INVESTMENT		\$23,006
TOTAL CAPITAL COSTS		<u>\$28,293</u>
RETURN TO LAND AND RISK		<u>\$40,770</u>

LAND VALUE	RETURN TO RISK*	RETURN ON INVESTMENT**
\$500 /ACRE	\$15,170	6.72%
\$750 /ACRE	\$2,370	5.12%
\$1,000 /ACRE	(\$10,430)	4.14%
\$1,250 /ACRE	(\$23,230)	3.47%
\$1,500 /ACRE	(\$36,030)	2.99%

\* 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)