

TABLE 1. Basic cost information for Union County, 2003.

Item		
Labor Wage Rate:		
Equipment operators	\$/hour	\$7.55
General & Irrigators	\$/hour	\$6.65
Purchased Inputs:		
Fertilizer:		
Nitrogen (N (N))	\$/pound	\$0.36
Phosphate (P205)	\$/pound	\$0.33
Seed:		
Wheat	\$/pound	\$0.13
Corn for Grain	\$/bag	\$89.75
Grain Sorghum	\$/pound	\$1.20
Haygrazer/Millet	\$/pound	\$0.43
Natural gas (service charge)	\$/MCF	\$3.28
Diesel fuel	\$/month	\$10.00
Diesel fuel	\$/gallon	\$1.30
Gasoline	\$/gallon	\$1.35
Electricity	cents/KwHr	5.73
LP Gas	\$/gallon	\$1.21
Baling Twine	\$/roll	\$19.00
Employee Liability Insurance	\$/ \$1,000 wages	\$20.00
Employee Benefits	percent/w ages	18.00%
Labor Downtime	percent	25.00%
Financial Rates:		
Operating Capital Interest Rate	percent	8.00%
Land Interest Rate	percent	7.00%
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
Supervision Factors		
Field Crop-Irrigation	\$/labor hour	\$1.00
Field Crop-Equipment & General	\$/labor hour	\$0.50
Management Rate	percent	7.00%

BUDGET AREA..... UNION COUNTY, 2003.  
 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		
TOTAL	1280.00		15,923
ACRE FEET PER ACRE OF WATER RIGHTS			1.04

TABLE 1a. Overhead cost information for Union County, 2003.

ITEM			
Electricity (Domestic & Shop)		\$420.00 per month	\$5,040
Telephone		\$205.00 per month	\$2,460
Accounting & Legal			\$3,135
Misc. Supplies & Hand Tools			\$3,805
Pickup and Auto			
miles	31,000	@ \$0.365 per mile	\$11,315
Insurance			
- general liability (non-employee)			\$3,910
- fire/theft			\$1,985
Property Taxes			
- non-planted land			\$16
- other than land & machinery			\$955
Building repairs and maintenance			\$1,655
Dues, fees, publications			\$380
Farmstead Equipment			\$245
Total			\$34,901
Total per planted acre			\$27.31
Total per dryland acre			\$5.46

TABLE 2. Pumping costs and data for irrigation wells, Union County, 2003.

<b>INPUT DATA</b>	
DELIVERY PSI: SPRINKLER... 30	DEPTH CHARACTERISTICS: STATIC... 180 DRAW DOV... 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..... 5.73 CENTS/K wHr NATURAL GAS... \$3.28 \$/MCF LP GAS..... \$1.21 \$/GAL DIESEL..... \$1.30 \$/GAL	

**FUEL PUMPING COSTS**

<b>ELECTRIC WELL:</b>	
COST PER HOUR.....\$	\$4.22
COST PER ACRE INCH.....\$	\$2.73
<b>NATURAL GAS WELL:</b>	
COST PER HOUR.....\$	\$3.49
COST PER ACRE INCH.....\$	\$2.26
<b>LP GAS WELL:</b>	
COST PER HOUR.....\$	\$12.70
COST PER ACRE INCH.....\$	\$8.21
<b>DIESEL WELL:</b>	
COST PER HOUR.....\$	\$6.90
COST PER ACRE INCH.....\$	\$4.46

TABLE 3. Equipment summary for a 1,280 acre sprinkler-irrigated farm with above average management, Union County, 2003.

EQUIPMENT ITEM & SIZE	ANNUAL HOURS OF USE	NUMBER	VARIABLE COSTS					FIXED COSTS		
			TOTAL VALUE	FUEL AND LUBRICANT	REPAIR	FUEL,LUBE PER HR	REPAIR PER HR	DEPRE- CIATION	TAXES	TOTAL PER HOUR
TRACTOR 95 HP	158	1	\$19,240	\$1,513	\$744	\$9.59	\$4.72	\$1,226	\$221	\$9.18
TRACTOR 126 HP	244	1	\$31,240	\$2,238	\$934	\$9.19	\$3.84	\$2,740	\$353	\$12.70
TRACTOR 185 HP	361	1	\$40,700	\$4,873	\$3,572	\$13.49	\$9.89	\$5,995	\$464	\$17.88
COMBINE 145 HP	158	1	\$38,150	\$1,819	\$0	\$11.54	\$0.00	\$7,600	\$588	\$51.92
SWATHER 14 FT	30	1	\$4,300	\$148	\$53	\$4.87	\$1.74	\$1,450	\$149	\$52.61
ROUND BALER	32	1	\$4,100		\$18		\$0.55	\$550	\$57	\$18.78
PLANTER 8-ROW	54	1	\$4,060		\$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	\$10,800		\$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	\$1,865	\$1,866	\$15.52	\$15.52	\$3,200	\$165	\$27.99
TANDEM-AXLE TRUCK	37	1	\$9,100	\$324	\$191	\$8.65	\$5.10	\$1,820	\$94	\$51.06
MINI-GATOR SPRINKLER	10295	2	\$5,600	\$962	\$206	\$0.09	\$0.02	\$747	\$58	\$0.08
CENTER PIVOT SPRINKLER	10295	5	\$75,000	\$5,114	\$9,317	\$0.50	\$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
			\$348,690	\$54,768	\$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, 2003.  
 Planting dates: August 15 - November 15  
 Harvesting dates: July 1 - July 15

ITEM	PRICE	YIELD							TOTAL
<b>GROSS RETURNS</b>									
WHEAT	\$4.50	80.00	BUSHEL						\$360.00
DIRECT PAYMENT	\$0.52	80.00	BUSHEL						\$41.60
COUNTER CYCLICAL PAYMENT	\$0.00								\$0.00
GRAZING	\$37.50	1.00	ACRE						\$37.50
<b>TOTAL</b>									<b>\$439.10</b>
<b>PURCHASED INPUTS</b>									
PURCHASED INPUTS	PRICE	QUANTITY		PURCHASED INPUTS					TOTAL
SEED	\$0.13	100	LBS	\$13.00					\$13.00
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>\$34.60</b>		<b>\$5.00</b>		<b>\$39.68</b>	
<b>PREHARVEST OPERATIONS</b>									
PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE		PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
DISC	185 HP	0.07	HR		\$0.53	\$0.94	\$0.69	\$1.83	\$4.00
CHISEL	185 HP	0.09	HR		\$0.68	\$1.21	\$0.97	\$1.80	\$4.67
DISC	185 HP	0.07	HR		\$0.53	\$0.94	\$0.69	\$1.83	\$4.00
DRILL	126 HP	0.12	HR		\$0.91	\$1.10	\$1.82	\$2.72	\$6.55
IRRIGATE (7X)		0.70	HR		\$4.66	\$29.01	\$8.20	\$13.16	\$55.01
<b>SUBTOTAL</b>		<b>1.05 HR</b>			<b>\$7.30</b>	<b>\$33.21</b>	<b>\$12.38</b>	<b>\$21.33</b>	<b>\$74.22</b>
<b>HARVEST OPERATIONS</b>									
COMBINE	GRAIN TABLE	0.14	HR		\$1.06	\$1.62	\$0.18	\$7.89	\$10.74
GRAIN CART	93 HP	0.14	HR		\$1.06	\$1.34	\$0.66	\$1.68	\$4.74
HAUL	SEMI	0.14	HR		\$1.06	\$2.17	\$2.17	\$3.92	\$9.32
<b>SUBTOTAL</b>		<b>0.42 HR</b>		<b>\$0.00</b>	<b>\$3.17</b>	<b>\$5.13</b>	<b>\$3.01</b>	<b>\$13.49</b>	<b>\$24.80</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					\$31.82				\$31.82
OTHER EXPENSES				\$27.31				\$27.31	
<b>SUBTOTAL</b>		<b>0.19 HR</b>		<b>\$27.52</b>	<b>\$35.16</b>			<b>\$0.28</b>	<b>\$62.96</b>
<b>TOTAL OPERATING EXPENSES</b>		<b>1.66 HR</b>		<b>\$62.12</b>	<b>\$45.63</b>	<b>\$38.34</b>	<b>\$15.39</b>	<b>\$40.10</b>	<b>\$201.66</b>
<b>NET OPERATING PROFIT</b>									<b>\$237.44</b>
INTEREST ON OPERATING CAPITAL	(	\$29.42	@	8.00%				\$2.35	
INTEREST ON EQUIPMENT INVESTMENT									\$14.59
<b>RETURN TO LAND AND RISK</b>									<b>\$220.50</b>

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

**BUDGET SUMMARY**

GROSS RETURN		\$439.10	
VARIABLE OPERATING EXPENSES	\$115.85		
RETURN OVER VARIABLE EXPENSES		\$323.25	(GROSS MARGIN)
FIXED EXPENSES	\$40.10		
NET FARM INCOME		\$283.15	(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$45.63		
NET OPERATING PROFIT		\$237.52	(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$16.94		
RETURN TO LAND AND RISK		\$220.58	

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, 2003.

Planting dates: April 15 - May 15

Harvesting dates: October 1 - November 15

ITEM	PRICE	YIELD							TOTAL
<b>GROSS RETURNS</b>									
CORN FOR GRAIN	\$2.40	200.00	BUSHEL						\$480.00
DIRECT PAYMENT	\$0.28	200.00	BUSHEL						\$56.00
COUNTER CYCLICAL PAYMENT	\$0.00	0.00	BUSHEL						\$0.00
GRAZING	\$20.00	1.00	ACRE						\$20.00
<b>TOTAL</b>									\$556.00
<b>PURCHASED INPUTS</b>									
PURCHASED INPUTS	PRICE	QUANTITY		PURCHASED INPUTS					TOTAL
SEED	\$1.12	26	000	\$29.17					\$29.17
NITROGEN (N)	\$0.36	220	LBS	\$79.20					\$79.20
PHOSPHATE (P2O5)	\$0.33	70	LBS	\$23.10					\$23.10
POTASSIUM (K-MAG)	\$0.12	300	LBS	\$34.50					\$34.50
INSECTICIDE	\$20.48	3	ACRE	\$61.44					\$61.44
HERBICIDE	\$28.16	1	ACRE	\$28.16					\$28.16
LIVESTOCK FAC & EQUIP						\$5.00			\$5.00
PUMP WATER*		34	AC. IN.						\$0.28
CROP INSURANCE	\$0.28								\$0.28
<b>SUBTOTAL</b>				<b>\$255.57</b>		<b>\$5.00</b>		<b>\$260.85</b>	
<b>PREHARVEST OPERATIONS</b>									
PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE		PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
DISC	185 HP	0.07	HR		\$0.53	\$0.94	\$0.69	\$1.83	\$4.00
CHISEL	185 HP	0.09	HR		\$0.68	\$1.21	\$0.97	\$1.80	\$4.67
DISC & SPRAY	185 HP	0.10	HR		\$0.76	\$1.35	\$1.26	\$3.10	\$6.46
PLANTER	126 HP	0.12	HR		\$0.91	\$1.10	\$1.75	\$3.29	\$7.06
ROLLING CULT (2X)	126 HP	0.20	HR		\$1.51	\$1.84	\$1.26	\$4.38	\$8.99
SIDEDRESS	185 HP	0.17	HR		\$1.28	\$2.29	\$1.68	\$3.04	\$8.30
IRRIGATE (16X)		1.60	HR		\$10.64	\$89.65	\$25.33	\$40.67	\$166.29
<b>SUBTOTAL</b>		<b>2.35 HR</b>			<b>\$16.30</b>	<b>\$98.39</b>	<b>\$32.96</b>	<b>\$58.11</b>	<b>\$205.77</b>
<b>HARVEST OPERATIONS</b>									
COMBINE	CORN HEAD	0.20	HR		\$1.51	\$2.31	\$1.30	\$20.44	\$25.56
GRAIN CART	93 HP	0.20	HR		\$1.51	\$1.92	\$0.94	\$2.40	\$6.77
HAUL	SEMI	0.20	HR		\$1.51	\$3.10	\$3.10	\$5.60	\$13.31
<b>SUBTOTAL</b>		<b>0.60 HR</b>			<b>\$0.00</b>	<b>\$4.53</b>	<b>\$7.33</b>	<b>\$5.35</b>	<b>\$28.44</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					\$42.16				\$42.16
OTHER EXPENSES				\$27.31					\$27.31
<b>SUBTOTAL</b>		<b>0.30 HR</b>			<b>\$27.73</b>	<b>\$48.14</b>		<b>\$0.28</b>	<b>\$76.14</b>
<b>TOTAL OPERATING EXPENSES</b>		<b>3.25 HR</b>			<b>\$283.29</b>	<b>\$68.97</b>	<b>\$105.72</b>	<b>\$38.31</b>	<b>\$91.83</b>
<b>NET OPERATING PROFIT</b>									<b>(\$32.41)</b>
INTEREST ON OPERATING CAPITAL		(	\$168.93	@	8.00%				\$13.51
INTEREST ON EQUIPMENT INVESTMENT									\$33.60
<b>RETURN TO LAND AND RISK</b>									<b>(\$79.52)</b>

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

**BUDGET SUMMARY**

GROSS RETURN		\$556.00	
VARIABLE OPERATING EXPENSES	\$427.33		
RETURN OVER VARIABLE EXPENSES		\$128.67	(GROSS MARGIN)
FIXED EXPENSES	\$91.83		
NET FARM INCOME		\$36.84	(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$68.97		
NET OPERATING PROFIT		(\$32.13)	(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$47.11		
RETURN TO LAND AND RISK		(\$79.24)	

TABLE 6. Grain sorghum, sprinkler-irrigated, budgeted per acre costs and returns for a 1,280 acre farm with above average management, Union County, 2003.  
 Planting dates: May 15 - June 15  
 Harvesting dates: October 15 - November 15

ITEM	PRICE	YIELD		PURCHASED INPUTS					TOTAL
<b>GROSS RETURNS</b>									
GRAIN SORGHUM	\$3.95	45.00	CWT						\$177.75
DIRECT PAYMENT	\$0.625	45.00	CWT						\$28.13
COUNTER CYCLICAL PAYMENT	\$0.00	0.00	CWT						\$0.00
GRAZING	\$5.00	1.00	ACRE						\$5.00
<b>TOTAL</b>									<b>\$210.88</b>
<b>PURCHASED INPUTS</b>									
SEED	\$1.20	5	LBS	\$6.00					\$6.00
NITROGEN (N)	\$0.36	150	LBS	\$54.00					\$54.00
PHOSPHATE (P205)	\$0.33	50	LBS	\$16.50					\$16.50
HERBICIDE	\$28.16	1	ACRE	\$28.16					\$28.16
LIVESTOCK FAC & EQUIP							\$5.00		\$5.00
PUMP WATER*		12	AC. IN.						\$0.19
CROP INSURANCE	\$0.19								\$0.19
<b>SUBTOTAL</b>				<b>\$104.66</b>			<b>\$5.00</b>		<b>\$109.85</b>
<b>PREHARVEST OPERATIONS</b>									
	POWER UNIT	ACCOMPLISHMENT RATE		PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
DISC	185 HP	0.07	HR		\$0.53	\$0.94	\$0.69	\$1.83	\$4.00
CHISEL	185 HP	0.09	HR		\$0.68	\$1.21	\$0.97	\$1.80	\$4.67
DISC & SPRAY	185 HP	0.10	HR		\$0.76	\$1.35	\$1.26	\$3.10	\$6.46
PLANTER	126 HP	0.12	HR		\$0.91	\$1.10	\$1.75	\$3.29	\$7.06
ROLLING CULT.	126 HP	0.10	HR		\$0.76	\$0.92	\$0.63	\$2.19	\$4.49
SIDEDRESS	185 HP	0.17	HR		\$1.28	\$2.29	\$1.68	\$3.04	\$8.30
IRRIGATE (6X)		0.60	HR		\$3.99	\$31.64	\$8.94	\$14.35	\$58.93
<b>SUBTOTAL</b>		<b>1.25</b>	<b>HR</b>		<b>\$8.90</b>	<b>\$39.47</b>	<b>\$15.94</b>	<b>\$29.61</b>	<b>\$93.91</b>
<b>HARVEST OPERATIONS</b>									
COMBINE	GRAIN TABLE	0.14	HR		\$1.06	\$1.62	\$0.18	\$7.89	\$10.74
GRAIN TABLE	93 HP	0.14	HR		\$1.06	\$1.34	\$0.66	\$1.68	\$4.74
HAUL	2 TON	0.14	HR		\$1.06	\$1.21	\$0.71	\$7.15	\$10.13
<b>SUBTOTAL</b>		<b>0.42</b>	<b>HR</b>		<b>\$0.00</b>	<b>\$3.17</b>	<b>\$4.17</b>	<b>\$16.72</b>	<b>\$25.61</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					\$16.02				\$16.02
OTHER EXPENSES				\$27.31					\$27.31
<b>SUBTOTAL</b>		<b>0.23</b>	<b>HR</b>		<b>\$27.55</b>	<b>\$19.89</b>		<b>\$0.28</b>	<b>\$47.72</b>
<b>TOTAL OPERATING EXPENSES</b>		<b>1.90</b>	<b>HR</b>		<b>\$132.21</b>	<b>\$31.96</b>	<b>\$43.63</b>	<b>\$17.49</b>	<b>\$51.60</b>
<b>NET OPERATING PROFIT</b>									<b>(\$66.21)</b>
INTEREST ON OPERATING CAPITAL	(	\$66.75	@	8.00%	)				\$5.34
INTEREST ON EQUIPMENT INVESTMENT									\$20.58
<b>RETURN TO LAND AND RISK</b>									<b>(\$92.13)</b>

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

**BUDGET SUMMARY**

GROSS RETURN		\$210.88	
VARIABLE OPERATING EXPENSES	\$193.34		
RETURN OVER VARIABLE EXPENSES		\$17.54	(GROSS MARGIN)
FIXED EXPENSES	\$51.60		
NET FARM INCOME		(\$34.06)	(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$31.96		
NET OPERATING PROFIT		(\$66.02)	(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$25.92		
RETURN TO LAND AND RISK		(\$91.94)	

TABLE 7. Haygrazer/millet, dryland, budgeted per acre costs and returns for a 1,280 acre farm with above average management, Union County, 2003.  
 Planting dates: June 1 - June 15  
 Harvesting dates: September 1 - September 15

ITEM	PRICE	YIELD							TOTAL	
GROSS RETURNS										
HAY	\$110.00	1.50	TONS (STACKED)						\$165.00	
TOTAL									\$165.00	
PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS							TOTAL
SEED	\$0.43	6	LBS	\$2.58					\$2.58	
HERBICIDE	\$14.79	1	ACRE	\$14.79					\$14.79	
BALING TWINE	\$19.00	0.13	ROLL	\$2.53					\$2.53	
SUBTOTAL				\$19.91					\$19.91	
PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS		LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL	
CHISEL	185 HP	0.09	HR		\$0.68	\$1.21	\$0.97	\$1.80	\$4.67	
DISC	185 HP	0.07	HR		\$0.53	\$0.94	\$0.69	\$1.83	\$4.00	
DRILL	126 HP	0.12	HR		\$0.91	\$1.10	\$1.82	\$2.72	\$6.55	
SUBTOTAL		0.28	HR		\$2.11	\$3.26	\$3.49	\$6.35	\$15.21	
HARVEST OPERATIONS										
SWATHER		0.16	HR		\$1.21	\$0.78	\$0.28	\$8.42	\$10.68	
BALER	126 HP	0.17	HR		\$1.28	\$1.56	\$0.75	\$5.35	\$8.94	
SUBTOTAL		0.33	HR	\$0.00	\$2.49	\$2.34	\$1.02	\$13.77	\$19.63	
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					\$11.86				\$11.86	
OTHER EXPENSES				\$5.46					\$5.46	
SUBTOTAL		0.15	HR	\$5.55	\$13.84		\$0.28		\$19.67	
TOTAL OPERATING EXPENSES		0.43	HR	\$25.46	\$18.44	\$5.60	\$4.51	\$20.40	\$74.41	
NET OPERATING PROFIT									\$90.59	
INTEREST ON OPERATING CAPITAL	(	\$11.92	@	8.00%	)				\$0.95	
INTEREST ON EQUIPMENT INVESTMENT									\$14.16	
RETURN TO LAND AND RISK									\$75.48	

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

BUDGET SUMMARY

GROSS RETURN		\$165.00	
VARIABLE OPERATING EXPENSES	\$35.57		
RETURN OVER VARIABLE EXPENSES	\$129.43		(GROSS MARGIN)
FIXED EXPENSES	\$20.40		
NET FARM INCOME	\$109.03		(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$18.44		
NET OPERATING PROFIT	\$90.59		(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$15.11		
RETURN TO LAND AND RISK	\$75.48		

TABLE 8. Summary of per acre costs and returns for a 1,280 acre farm with above average management, Union County, 2003.

	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	4.50	2.40	3.95	110.00
GOVERNMENT PAYMENTS	41.60	56.00	28.13	0.00
SECOND INCOME	37.50	20.00	5.00	0.00
GROSS RETURN	\$439.10	\$556.00	\$210.88	\$165.00
CASH OPERATING EXPENSES				
SEED	\$13.00	\$29.17	\$6.00	\$2.58
FERTILIZER	\$21.60	\$136.80	\$70.50	
CHEMICALS		\$89.60	\$28.16	\$14.79
CROP INSURANCE	\$0.08	\$0.28	\$0.19	
OTHER PURCHASED INPUTS				\$2.53
CANAL WATER				
FUEL, OIL & LUBRICANTS-EQUIPMENT	\$9.34	\$16.07	\$11.99	\$5.60
FUEL-IRRIGATION	\$29.01	\$89.65	\$31.64	
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	\$27.52	\$27.73	\$27.55	\$5.55
TOTAL CASH EXPENSES	\$116.21	\$427.89	\$193.80	\$35.85
RETURN OVER CASH EXPENSES	\$322.89	\$128.11	\$17.07	\$129.15
FIXED EXPENSES	\$39.82	\$91.55	\$51.32	\$20.12
TOTAL EXPENSES	\$156.03	\$519.44	\$245.12	\$55.97
NET FARM INCOME	\$283.07	\$36.56	(\$34.25)	\$109.03
LABOR AND MANAGEMENT COSTS	\$45.63	\$68.97	\$31.96	\$18.44
NET OPERATING PROFIT	\$237.44	(\$32.41)	(\$66.21)	\$90.59
CAPITAL COSTS				
INTEREST ON OPERATING CAPITAL	\$2.35	\$13.51	\$5.34	\$0.95
INTEREST ON EQUIPMENT INVESTMENT	\$14.59	\$33.60	\$20.58	\$14.16
TOTAL CAPITAL COSTS	\$16.94	\$47.11	\$25.92	\$15.11
RETURN TO LAND AND RISK	\$220.50	(\$79.52)	(\$92.13)	\$75.48

TABLE 9. Whole farm summary, Union County, 2003

GROSS RETURNS		
WHEAT	604 ACRES	
CROP		\$217,350
GRAZING		\$22,641
DIRECT PAYMENT		\$18,564
COUNTER CYCLICAL PAYMENT		\$0
CORN FOR GRAIN	179 ACRES	
CROP		\$85,680
GRAZING		\$3,570
DIRECT PAYMENT		\$9,996
COUNTER CYCLICAL PAYMENT		\$0
GRAIN SORGHUM	268 ACRES	
CROP		\$47,593
GRAZING		\$1,339
DIRECT PAYMENT		\$7,530
COUNTER CYCLICAL PAYMENT		\$0
HAYGRAZER/MILLET	190 ACRES	
CROP		\$31,350
GROSS RETURN		<u>\$445,612</u>
CASH OPERATING EXPENSES		
SEED		\$15,152
FERTILIZER		\$56,336
CHEMICALS		\$26,344
CROP INSURANCE		\$150
OTHER PURCHASED INPUTS		\$481
CANAL WATER		\$0
FUEL, OIL & LUBRICANTS-EQUIPMENT		\$12,781
FUEL-IRRIGATION		\$41,987
REPAIRS		\$21,670
CUSTOM CHARGES		\$0
LAND TAXES		\$345
OTHER EXPENSES		\$29,995
TOTAL CASH EXPENSES		<u>\$205,242</u>
RETURN OVER CASH EXPENSES		\$240,370
FIXED EXPENSES		\$57,947
TOTAL EXPENSES		\$263,189
NET FARM INCOME		\$182,423
LABOR AND MANAGEMENT COSTS		\$51,920
NET OPERATING PROFIT		\$130,503
CAPITAL COSTS		
INTEREST ON OPERATING CAPITAL		\$5,444
INTEREST ON EQUIPMENT INVESTMENT		\$23,006
TOTAL CAPITAL COSTS		<u>\$28,450</u>
RETURN TO LAND AND RISK		<u>\$102,053</u>

LAND VALUE	RETURN TO RISK*	RETURN ON INVESTMENT**
\$500 /ACRE	\$76,453	13.20%
\$750 /ACRE	\$63,653	9.97%
\$1,000 /ACRE	\$50,853	8.01%
\$1,250 /ACRE	\$38,053	6.70%
\$1,500 /ACRE	\$25,253	5.75%

\* 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)