

TABLE 1. Acreage Summary, Union County,  
Projected 2004.

BUDGET AREA.....	UNION COUNTY
FARM SIZE.....	1,280 ACRES
IRRIGATION TYPE.....	SPRINKLER
NUMBER OF CROPS...	5

ACREAGE SUMMARY:	LAND USE (ACRES)	WATER USE	
		AC. IN. PER AC.	TOTAL AC. IN.
ALFALFA ESTABLISHMENT	55.00 *	3	165
ALFALFA	375.00	40	15,000
WHEAT	318.75	11	3,506
ARP	0.00		
FLEX IN WHEAT	56.25	11	619
CORN	127.50	34	4,335
ARP	0.00		
FLEX IN WHEAT	22.50	11	248
GRAIN SORGHUM	127.50	12	1,530
ARP	0.00		
FLEX IN WHEAT	22.50	11	248
HAYGRAZER	190.00		
ROADS, HOMESTEAD	40.00		
<b>TOTAL</b>	<b>1,280.00</b>		<b>25,650</b>
ACRE FEET PER ACRE OF WATER RIGHTS			1.67

\* DOUBLE-CROPPED

TABLE 2. Basic cost information for Union County,  
Projected 2004.

Item		
<b>Labor Wage Rate:</b>		
Equipment operators	\$/hour	\$7.55
General & Irrigators	\$/hour	\$6.75
<b>Purchased Inputs:</b>		
<b>Fertilizer:</b>		
Nitrogen (N)	\$/pound	\$0.29
Phosphate (P205)	\$/pound	\$0.20
Potash (K2O)	\$/pound	\$0.13
<b>Seed:</b>		
Alfalfa	\$/pound	\$2.80
Wheat	\$/pound	\$0.12
Corn for Grain	\$/bag	\$85.00
Grain Sorghum	\$/pound	\$1.30
Haygrazer/Millet	\$/pound	\$0.45
Oats	\$/pound	\$0.30
<b>Natural gas</b>		
(service charge)	\$/MCF	\$7.22
Diesel fuel	\$/gallon	\$10.00
Gasoline	\$/gallon	\$1.50
Electricity	cents/KwHr	\$1.45
LP Gas	\$/gallon	5.73
		\$1.21
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	6.50%
Land Interest Rate	percent	6.00%
Equipment Interest Rate	percent	6.50%
Real Interest Rate	percent	4.00%
Land Taxes	\$27.00 /acre	\$0.30
Personal Property Tax Rate	- NR - R	\$/ \$1,000 (Assessed Value) \$33.75 \$26.10
<b>Supervision Factors</b>		
Field Crop-Irrigation	\$/labor hour	\$1.00
Field Crop-Equipment & General	\$/labor hour	\$0.50
Management Rate	percent	7.00%

TABLE 3. Overhead cost information for Union County,  
Projected 2004.

Item		
Electricity (Domestic & Shop)		\$445.00 per month \$5,340
Telephone		\$220.00 per month \$2,640
Accounting & Legal		\$4,090
Misc. Supplies & Hand Tools		\$4,150
Pickup and Auto		
miles	31,000 @	\$0.365 per mile \$11,315
<b>Insurance</b>		
- general liability (non-employee)		\$2,645
- fire/theft		\$2,110
<b>Property Taxes</b>		
- non-planted land		\$45
- other than land & machinery		\$1,015
Building repairs and maintenance		\$1,705
Dues, fees, publications		\$391
Farmstead Equipment		\$330
		<b>Total</b> <b>\$35,776</b>
		<b>Total per planted acre</b> <b>\$32.88</b>
		<b>Total per dryland acre</b> <b>\$6.58</b>

TABLE 4. Pumping costs and data for irrigation wells, Union County,  
Projected 2004.

INPUT DATA			
DELIVERY PSI:			DEPTH CHARACTERISTICS:
SPRINKLER	30		STATIC.....
			DRAW DOWN.....
			TOTAL HEAD.....
			CASING.....
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/KwHr	
NATURAL GAS	\$7.22	\$/MCF	
LP GAS	\$1.21	\$/GAL	
DIESEL	\$1.50	\$/GAL	
FUEL PUMPING COST			
ELECTRIC WELL:			
COST PER HOUR		\$4.22	
COST PER ACRE INCH		\$2.73	
NATURAL GAS WELL:			
COST PER HOUR		\$7.64	
COST PER ACRE INCH		\$4.94	
LP GAS WELL:			
COST PER HOUR		\$12.70	
COST PER ACRE INCH		\$8.21	
DIESEL WELL:			
COST PER HOUR		\$7.95	
COST PER ACRE INCH		\$5.14	

TABLE 5. Equipment summary for a 1,280 acre sprinkler-irrigated farm with above average management, Union County,  
Projected 2004.

EQUIPMENT		ANNUAL HOURS OF USE	NUMBER	TOTAL VALUE	VARIABLE COSTS				FIXED COSTS		
ITEM & SIZE	FUEL, OIL, LUBRICANT				REPAIR	FUEL, OIL PER HR	REPAIR PER HR	DEPRECIATION	TAXES	TOTAL PER HR	
TRACTOR	95 HP	118	1	\$19,045	\$1,217	\$760	\$10.30	\$6.44	\$1,226	\$241	\$12.42
TRACTOR	126 HP	429	1	\$31,240	\$4,555	\$3,588	\$10.61	\$8.36	\$2,740	\$385	\$7.28
TRACTOR	185 HP	241	1	\$38,035	\$3,744	\$973	\$15.57	\$4.05	\$5,995	\$506	\$27.03
COMBINE	145 HP	102	1	\$35,240	\$1,360	\$2,213	\$13.31	\$21.66	\$7,600	\$641	\$80.68
SWATHER	14 FT	270	1	\$3,900	\$1,519	\$0	\$5.62	\$0.00	\$1,450	\$163	\$5.97
ROUND BALER		287	1	\$3,500		\$0		\$0.00	\$550	\$62	\$2.13
PLANTER	8 ROW	31	1	\$5,500		\$239		\$7.81	\$1,100	\$62	\$37.97
CHISEL HAYMIE	21 FT	78	1	\$1,650		\$53		\$0.68	\$220	\$19	\$3.06
ROLLING CULTIVATO	8 ROW	38	1	\$4,000		\$104		\$2.72	\$533	\$45	\$15.12
DISC	28 FT	119	1	\$10,000		\$668		\$5.60	\$1,333	\$113	\$12.12
DRILL	21 FT	80	1	\$4,500		\$815		\$10.22	\$900	\$51	\$11.91
CORN HEAD	8 ROW	26	1	\$10,800		\$147		\$5.75	\$1,667	\$141	\$70.87
GRAIN TABLE	22 FT	77	1	\$4,150		\$84		\$1.09	\$501	\$42	\$7.09
SPRAYER	30 FT	26	1	\$1,500		\$54		\$2.13	\$200	\$17	\$8.50
GRAIN CART		102	2	\$6,200		\$222		\$2.17	\$827	\$70	\$8.78
SEMI-TRACTOR/TRAILER		84	1	\$17,500	\$1,509	\$1,195	\$17.90	\$14.18	\$3,500	\$197	\$43.85
CULTI-PACKER		9	1	\$3,200		\$30		\$3.20	\$427	\$36	\$49.48
TANDEM-AXLE TRUCK		18	1	\$9,000	\$178	\$58	\$9.98	\$3.24	\$1,800	\$101	\$106.51
MINI-GATOR SPRINKLER		6,779	1	\$2,800	\$633	\$136	\$0.09	\$0.02	\$373	\$32	\$0.06
CENTER PIVOT SPRINKLER		16,583	7	\$105,000	\$8,238	\$15,008	\$0.50	\$0.91	\$14,000	\$1,181	\$0.92
NATURAL GAS WELL		16,583	4	\$82,000	\$126,737	\$3,773	\$7.64	\$0.23	\$8,632	\$923	\$0.61
				\$398,760	\$149,691	\$30,118			\$55,574	\$5,026	

TABLE 6. Alfalfa establishment, sprinkler-irrigated, budgeted per acre costs and returns for a 1,280 acre farm with above average management, Union County, Projected 2004.

Planting dates: August 1 - September 1								
ITEM	PRICE	QUANTITY	PURCHASED INPUTS					TOTAL
<u>PURCHASED INPUTS</u>								
SEED	\$2.80	20 LBS	\$56.00					\$56.00
OAT SEED	\$0.30	30 LBS	\$9.00					\$9.00
PUMP WATER*		3 AC. IN.						
SUBTOTAL			\$65.00					\$65.00
<u>PREHARVEST OPERATIONS</u>								
	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
DISC	185 HP	0.07 HR		\$0.53	\$1.09	\$0.68	\$2.74	\$5.03
CULTI-PACKER	93 HP	0.17 HR		\$1.28	\$1.75	\$1.64	\$10.52	\$15.20
DRILL	93 HP	0.12 HR		\$0.91	\$1.24	\$2.00	\$2.92	\$7.06
IRRIGATE (4X)		0.40 HR		\$2.70	\$15.79	\$2.20	\$2.95	\$23.63
SUBTOTAL		0.76 HR		\$5.42	\$19.86	\$6.51	\$19.13	\$50.93
<u>OVERHEAD EXPENSES</u>								
DOWNTIME		0.09 HR		\$0.68				\$0.68
EMPLOYEE BENEFITS				\$0.98				\$0.98
INSURANCE			\$0.11					\$0.11
SUPERVISION AND MANAGEMENT				\$8.69				\$8.69
SUBTOTAL		0.09	\$0.11	\$10.35				\$10.46
<u>TOTAL OPERATING EXPENSES</u>		0.85 HR	\$65.11	\$15.77	\$19.86	\$6.51	\$19.13	\$126.38

TABLE 7. Alfalfa hay, sprinkler-irrigated, budgeted per acre costs and returns for a 1,280 acre farm with above average management, Union County, Projected 2004.  
Harvesting dates: June 1 - October 10

ITEM	PRICE	YIELD						TOTAL
<b>GROSS RETURNS</b>								
ALFALFA HAY	\$130.00	7.00 TONS (STACKED)						\$910.00
<b>TOTAL</b>								<b>\$910.00</b>
<hr/>								
PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS				FIXED COST	TOTAL
NITROGEN (N)	\$0.29	30 LBS	\$8.70					\$8.70
PHOSPHATE (P2O5)	\$0.20	100 LBS	\$20.00					\$20.00
POTASH (K2O)	\$0.13	50 LBS	\$6.50					\$6.50
TRACE ELEMENTS	\$0.15	12 LBS	\$1.80					\$1.80
ESTABLISHMENT:Principal		7 YEARS					\$18.05	\$18.05
: Interest							\$4.23	\$4.23
BALING TWINE	\$25.00	1 ROLL	\$14.17					\$14.17
PUMP WATER*		40 AC. IN.						
<b>SUBTOTAL</b>			<b>\$51.17</b>				<b>\$22.29</b>	<b>\$73.45</b>
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PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
IRRIGATE (11X)		1.10 HR		\$7.43	\$210.49	\$29.29	\$39.32	\$286.52
<b>SUBTOTAL</b>		<b>1.10 HR</b>		<b>\$7.43</b>	<b>\$210.49</b>	<b>\$29.29</b>	<b>\$39.32</b>	<b>\$286.52</b>
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HARVEST OPERATIONS								
SWATHER (4X)	13 FT SP	0.64 HR		\$4.83	\$3.59	\$0.00	\$3.82	\$12.24
BALER (4X)	126 HP	0.68 HR		\$5.13	\$7.21	\$5.68	\$6.40	\$24.43
<b>SUBTOTAL</b>		<b>1.32 HR</b>		<b>\$9.97</b>	<b>\$10.81</b>	<b>\$5.68</b>	<b>\$10.22</b>	<b>\$36.67</b>
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OVERHEAD EXPENSES								
DOWNTIME		0.33 HR		\$2.49				\$2.49
EMPLOYEE BENEFITS				\$3.13				\$3.13
INSURANCE			\$0.35					\$0.35
LAND TAXES							\$0.30	\$0.30
SUPERVISION AND MANAGEMENT				\$65.46				\$65.46
OTHER EXPENSES			\$32.88					\$32.88
<b>SUBTOTAL</b>		<b>0.33 HR</b>	<b>\$33.23</b>	<b>\$71.08</b>			<b>\$0.30</b>	<b>\$104.62</b>
<b>TOTAL OPERATING EXPENSES</b>		<b>2.75 HR</b>	<b>\$84.40</b>	<b>\$88.47</b>	<b>\$221.30</b>	<b>\$34.97</b>	<b>\$72.13</b>	<b>\$501.27</b>
<b>NET OPERATING PROFIT</b>								<b>\$408.73</b>
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INTEREST ON OPERATING CAPITAL		( \$86.90 @ 6.50%						\$5.65
INTEREST ON EQUIPMENT INVESTMENT								\$10.20
<b>RETURN TO LAND AND RISK</b>								<b>\$392.88</b>

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

**BUDGET SUMMARY**

GROSS RETURN		\$910.00	
VARIABLE OPERATING EXPENSES	\$340.66		
RETURN OVER VARIABLE EXPENSES		\$569.34	(GROSS MARGIN)
FIXED EXPENSES	\$72.13		
NET FARM INCOME		\$497.21	(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$88.47		
NET OPERATING PROFIT		\$408.73	(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$15.85		
RETURN TO LAND AND RISK		\$392.88	

TABLE 8. Wheat, sprinkler-irrigated, budgeted per acre costs and returns for a 1,280 acre farm with above average management, Union County, Projected 2004.  
Planting dates: August 15 - November 15  
Harvesting dates: July 1 - July 15

ITEM	PRICE	YIELD	BASE	TOTAL
<b>GROSS RETURNS</b>				
WHEAT	\$3.75	47.00 BUSHELS		\$176.25
DIRECT PAYMENT	\$0.52	47.00 BUSHELS	0.85	\$20.77
COUNTER CYCLICAL PAYMENT	\$0.00			\$0.00
GRAZING	\$40.00	1.00 ACRE		\$40.00
<b>TOTAL</b>				<b>\$237.02</b>

PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS	FIXED COST	TOTAL
SEED	\$0.12	100 LBS	\$11.80		\$11.80
MANURE	\$2.70	8 TON	\$21.60		\$21.60
LIVESTOCK FAC & EQUIP				\$5.00	\$5.00
PUMP WATER*		11 AC. IN.			\$0.00
CROP INSURANCE	\$0.12				\$0.12
<b>SUBTOTAL</b>			<b>\$33.40</b>	<b>\$5.00</b>	<b>\$38.52</b>

PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
DISC	185 HP	0.07 HR		\$0.53	\$1.09	\$0.68	\$2.74	\$5.03
CHISEL	185 HP	0.09 HR		\$0.68	\$1.40	\$0.43	\$2.71	\$5.21
DISC	185 HP	0.07 HR		\$0.53	\$1.09	\$0.68	\$2.74	\$5.03
DRILL	126 HP	0.12 HR		\$0.91	\$1.27	\$2.23	\$2.30	\$6.71
IRRIGATE (7X)		0.70 HR		\$4.73	\$58.55	\$8.20	\$11.24	\$82.71
<b>SUBTOTAL</b>		<b>1.05 HR</b>		<b>\$7.37</b>	<b>\$63.40</b>	<b>\$12.20</b>	<b>\$21.73</b>	<b>\$104.70</b>

HARVEST OPERATIONS								
COMBINE	GRAIN TABLE	0.14 HR		\$1.06	\$1.86	\$3.19	\$12.29	\$18.39
GRAIN CART	93 HP	0.14 HR		\$1.06	\$1.44	\$1.20	\$2.97	\$6.67
TRUCK	SEMI	0.14 HR		\$1.06	\$2.51	\$1.98	\$6.14	\$11.69
<b>SUBTOTAL</b>		<b>0.42 HR</b>	<b>\$0.00</b>	<b>\$3.17</b>	<b>\$5.81</b>	<b>\$6.37</b>	<b>\$21.40</b>	<b>\$36.75</b>

OVERHEAD EXPENSES								
DOWNTIME		0.19 HR		\$1.45				\$1.45
EMPLOYEE BENEFITS				\$1.90				\$1.90
INSURANCE			\$0.21					\$0.21
LAND TAXES						\$0.30		\$0.30
SUPERVISION AND MANAGEMENT				\$17.68				\$17.68
OTHER EXPENSES			\$32.88					\$32.88
<b>SUBTOTAL</b>		<b>0.19 HR</b>	<b>\$33.09</b>	<b>\$21.03</b>		<b>\$0.30</b>		<b>\$54.42</b>

TOTAL OPERATING EXPENSES 1.66 HR \$66.49 \$31.57 \$69.21 \$18.57 \$48.43 \$234.40

NET OPERATING PROFIT \$2.63

INTEREST ON OPERATING CAPITAL ( \$36.68 @ 6.50% ) \$2.38  
INTEREST ON EQUIPMENT INVESTMENT \$15.27

RETURN TO LAND AND RISK (\$15.02)

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

BUDGET SUMMARY

GROSS RETURN		\$237.02	
VARIABLE OPERATING EXPENSES	\$154.28		
RETURN OVER VARIABLE EXPENSES		\$82.74	(GROSS MARGIN)
FIXED EXPENSES	\$48.43		
NET FARM INCOME		\$34.31	(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$31.57		
NET OPERATING PROFIT		\$2.75	(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$17.65		
RETURN TO LAND AND RISK		(\$14.91)	

TABLE 9. Corn for grain, sprinkler-irrigated, budgeted per acre costs and returns for a 1,280 acre farm with above average management, Union County, Projected 2004.  
Planting dates: April 15 - May 15  
Harvesting dates: October 1 - November 15

ITEM	PRICE	YIELD	BASE	TOTAL
<b>GROSS RETURNS</b>				
CORN FOR GRAIN	\$2.45	185.00 BUSHELS		\$453.25
DIRECT PAYMENT	\$0.28	185.00 BUSHELS	0.85	\$44.03
COUNTER CYCLICAL PAYMENT	\$0.00	0.00 BUSHELS		\$0.00
GRAZING	\$20.00	1.00 ACRE		\$20.00
<b>TOTAL</b>				<b>\$517.28</b>

PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS	FIXED COST	TOTAL
SEED	\$1.06	26.00 000	\$27.63		\$27.63
NITROGEN (N)	\$0.29	220.00 LBS	\$63.80		\$63.80
PHOSPHATE (P2O5)	\$0.20	70.00 LBS	\$14.00		\$14.00
POTASSIUM (K-MAG)	\$0.21	300.00 LBS	\$63.00		\$63.00
INSECTICIDE	\$15.07	3.00 ACRE	\$45.20		\$45.20
HERBICIDE	\$22.60	1.00 ACRE	\$22.60		\$22.60
LIVESTOCK FAC & EQUIP				\$5.00	\$5.00
PUMP WATER*		34.00 AC. IN.			\$0.00
CROP INSURANCE	\$0.39				\$0.39
<b>SUBTOTAL</b>			<b>\$236.23</b>	<b>\$5.00</b>	<b>\$241.62</b>

PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
DISC	185 HP	0.07 HR		\$0.53	\$1.09	\$0.68	\$2.74	\$5.03
CHISEL	185 HP	0.09 HR		\$0.68	\$1.40	\$0.43	\$2.71	\$5.21
DISC & SPRAY	185 HP	0.10 HR		\$0.76	\$1.56	\$1.18	\$4.77	\$8.25
PLANTER	126 HP	0.12 HR		\$0.91	\$1.27	\$1.94	\$5.43	\$9.55
ROLLING CULT (2X)	126 HP	0.20 HR		\$1.51	\$2.12	\$2.22	\$4.48	\$10.33
SIDEDRESS	185 HP	0.17 HR		\$1.28	\$2.65	\$0.69	\$4.59	\$9.21
IRRIGATE (16X)		1.60 HR		\$10.80	\$180.97	\$25.33	\$34.74	\$251.84
<b>SUBTOTAL</b>		<b>2.35 HR</b>		<b>\$16.46</b>	<b>\$191.06</b>	<b>\$32.45</b>	<b>\$59.45</b>	<b>\$299.43</b>

HARVEST OPERATIONS								
COMBINE	CORN HEAD	0.20 HR		\$1.51	\$2.66	\$5.48	\$30.31	\$39.97
GRAIN CART	93 HP	0.20 HR		\$1.51	\$2.06	\$1.72	\$4.24	\$9.53
TRUCK	SEMI	0.20 HR		\$1.51	\$3.58	\$2.84	\$8.77	\$16.70
<b>SUBTOTAL</b>		<b>0.60 HR</b>	<b>\$0.00</b>	<b>\$4.53</b>	<b>\$8.30</b>	<b>\$10.04</b>	<b>\$43.32</b>	<b>\$66.19</b>

OVERHEAD EXPENSES								
DOWNTIME		0.30 HR		\$2.23				\$2.23
EMPLOYEE BENEFITS				\$3.78				\$3.78
INSURANCE			\$0.42					\$0.42
LAND TAXES						\$0.30		\$0.30
SUPERVISION AND MANAGEMENT				\$39.45				\$39.45
OTHER EXPENSES			\$32.88					\$32.88
<b>SUBTOTAL</b>		<b>0.30 HR</b>	<b>\$33.30</b>	<b>\$45.46</b>		<b>\$0.30</b>		<b>\$79.06</b>

<b>TOTAL OPERATING EXPENSES</b>		<b>3.25 HR</b>	<b>\$269.53</b>	<b>\$66.45</b>	<b>\$199.36</b>	<b>\$42.49</b>	<b>\$108.08</b>	<b>\$686.30</b>
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<b>NET OPERATING PROFIT</b>								<b>(\$169.02)</b>
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INTEREST ON OPERATING CAPITAL	(	\$175.72	@	6.50%	)			\$11.42
INTEREST ON EQUIPMENT INVESTMENT								\$33.81

<b>RETURN TO LAND AND RISK</b>								<b>(\$214.25)</b>
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\* Pump water costs are shown under irrigation in the preharvest operations section

**BUDGET SUMMARY**

GROSS RETURN		\$517.28	
VARIABLE OPERATING EXPENSES	\$511.38		
RETURN OVER VARIABLE EXPENSES		\$5.90	(GROSS MARGIN)
FIXED EXPENSES	\$108.08		
NET FARM INCOME		(\$102.18)	(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$66.45		
NET OPERATING PROFIT		(\$168.63)	(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$45.23		
RETURN TO LAND AND RISK		(\$213.86)	

TABLE 10. Grain sorghum, sprinkler-irrigated, budgeted per acre costs and returns for a 1,280 acre farm with above average management, Union County, Projected 2004.  
 Planting dates: May 15 - June 15  
 Harvesting dates: October 15 - November 15

ITEM	PRICE	YIELD	BASE					TOTAL
<b>GROSS RETURNS</b>								
GRAIN SORGHUM	\$4.03	25.00 CWT						\$100.75
DIRECT PAYMENT	\$0.35	25.00 CWT	0.85					\$7.44
COUNTER CYCLICAL PAYMENT	\$0.00	0.00 CWT						\$0.00
GRAZING	\$5.00	1.00 ACRE						\$5.00
<b>TOTAL</b>								<b>\$113.19</b>
<b>PURCHASED INPUTS</b>								
	PRICE	QUANTITY	PURCHASED INPUTS					TOTAL
SEED	\$1.30	5 LBS	\$6.50					\$6.50
NITROGEN (N)	\$0.29	150 LBS	\$43.50					\$43.50
PHOSPHATE (P205)	\$0.20	50 LBS	\$10.00					\$10.00
HERBICIDE	\$22.60	1 ACRE	\$22.60					\$22.60
LIVESTOCK FAC & EQUIP							\$5.00	\$5.00
PUMP WATER*		12 AC. IN.						
CROP INSURANCE	\$0.39							\$0.39
<b>SUBTOTAL</b>			<b>\$82.60</b>				<b>\$5.00</b>	<b>\$88.00</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	\$1.09	\$0.68	\$2.74	\$5.03
CHISEL	185 HP	0.09 HR		\$0.68	\$1.40	\$0.43	\$2.71	\$5.21
DISC & SPRAY	185 HP	0.10 HR		\$0.76	\$1.56	\$1.18	\$4.77	\$8.25
PLANTER	126 HP	0.12 HR		\$0.91	\$1.27	\$1.94	\$5.43	\$9.55
ROLLING CULT.	126 HP	0.10 HR		\$0.76	\$1.06	\$1.11	\$2.24	\$5.16
SIDEDRESS ANHYDROUS	185 HP	0.17 HR		\$1.28	\$2.65	\$0.69	\$4.59	\$9.21
IRRIGATE (6X)		0.60 HR		\$4.05	\$63.87	\$8.94	\$12.26	\$89.12
<b>SUBTOTAL</b>		<b>1.25 HR</b>		<b>\$8.96</b>	<b>\$72.90</b>	<b>\$14.95</b>	<b>\$34.74</b>	<b>\$131.55</b>
<b>HARVEST OPERATIONS</b>								
COMBINE	GRAIN TABLE	0.14 HR		\$1.06	\$1.86	\$3.19	\$12.29	\$18.39
GRAIN CART	93 HP	0.14 HR		\$1.06	\$1.44	\$1.20	\$2.97	\$6.67
TRUCK	2 T 18 FT	0.14 HR		\$1.06	\$1.40	\$0.45	\$14.91	\$17.82
<b>SUBTOTAL</b>		<b>0.42 HR</b>	<b>\$0.00</b>	<b>\$3.17</b>	<b>\$4.70</b>	<b>\$4.84</b>	<b>\$30.17</b>	<b>\$42.89</b>
<b>OVERHEAD EXPENSES</b>								
DOWNTIME		0.23 HR		\$1.70				\$1.70
EMPLOYEE BENEFITS				\$2.18				\$2.18
INSURANCE			\$0.24					\$0.24
LAND TAXES							\$0.30	\$0.30
SUPERVISION AND MANAGEMENT				\$9.18				\$9.18
OTHER EXPENSES			\$32.88					\$32.88
<b>SUBTOTAL</b>		<b>0.23 HR</b>	<b>\$33.12</b>	<b>\$13.07</b>			<b>\$0.30</b>	<b>\$46.49</b>
<b>TOTAL OPERATING EXPENSES</b>		<b>1.90 HR</b>	<b>\$115.73</b>	<b>\$25.19</b>	<b>\$77.60</b>	<b>\$19.80</b>	<b>\$70.21</b>	<b>\$308.93</b>
<b>NET OPERATING PROFIT</b>								<b>(\$195.74)</b>
INTEREST ON OPERATING CAPITAL		( \$64.26 @ 6.50% )						\$4.18
INTEREST ON EQUIPMENT INVESTMENT								\$23.21
<b>RETURN TO LAND AND RISK</b>								<b>(\$223.13)</b>

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

**BUDGET SUMMARY**

GROSS RETURN		\$113.19	
VARIABLE OPERATING EXPENSES	\$213.13		
RETURN OVER VARIABLE EXPENSES		(\$99.94)	(GROSS MARGIN)
FIXED EXPENSES	\$70.21		
NET FARM INCOME		(\$170.15)	(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$25.19		
NET OPERATING PROFIT		(\$195.35)	(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$27.39		
RETURN TO LAND AND RISK		(\$222.73)	

TABLE 11. Haygrazer/millet, dryland, budgeted per acre costs and returns for a 1,280 acre farm with above average management, Union County, Projected 2004.  
 Planting dates: June 1 - June 15  
 Harvesting dates: September 1 - September 15

ITEM	PRICE	YIELD						TOTAL
GROSS RETURNS								
HAY	\$100.00	1.50 TONS						\$150.00
TOTAL								\$150.00

  

PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS				FIXED COST	TOTAL
SEED	\$0.45	6 LBS	\$2.70					\$2.70
HERBICIDE	\$13.70	1 ACRE	\$13.70					\$13.70
BALING TWINE	\$25.00	0 ROLL	\$3.33					\$3.33
SUBTOTAL			\$19.73					\$19.73

  

PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
CHISEL	185 HP	0.09 HR		\$0.68	\$1.40	\$0.43	\$2.71	\$5.21
DISC	185 HP	0.07 HR		\$0.53	\$1.09	\$0.68	\$2.74	\$5.03
DRILL	126 HP	0.12 HR		\$0.91	\$1.27	\$2.23	\$2.30	\$6.71
SUBTOTAL		0.28 HR		\$2.11	\$3.76	\$3.33	\$7.75	\$16.96

  

HARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
SWATHER	14 FT SP	0.16 HR		\$1.21	\$0.90	\$0.00	\$0.95	\$3.06
BALER	126 HP	0.17 HR		\$1.28	\$1.80	\$1.42	\$1.60	\$6.11
SUBTOTAL		0.33 HR	\$0.00	\$2.49	\$2.70	\$1.42	\$2.55	\$9.17

  

OVERHEAD EXPENSES	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL	
DOWNTIME	0.15 HR		\$1.15				\$1.15	
EMPLOYEE BENEFITS			\$0.83				\$0.83	
INSURANCE		\$0.09					\$0.09	
LAND TAXES							\$0.30	
SUPERVISION AND MANAGEMENT			\$10.81				\$10.81	
OTHER EXPENSES		\$32.88					\$32.88	
SUBTOTAL	0.15 HR	\$32.97	\$12.79				\$0.30	\$46.06

  

TOTAL OPERATING EXPENSES	0.43 HR	\$52.70	\$17.39	\$6.47	\$4.75	\$10.61	\$91.92
NET OPERATING PROFIT							\$58.08
INTEREST ON OPERATING CAPITAL	( \$11.98 @	6.50%	)				\$0.78
INTEREST ON EQUIPMENT INVESTMENT							\$5.16
RETURN TO LAND AND RISK							\$52.14

BUDGET SUMMARY

GROSS RETURN		\$150.00	
VARIABLE OPERATING EXPENSES	\$63.92		
RETURN OVER VARIABLE EXPENSES		\$86.08	(GROSS MARGIN)
FIXED EXPENSES	\$10.61		
NET FARM INCOME		\$75.47	(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$17.39		
NET OPERATING PROFIT		\$58.08	(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$5.94		
RETURN TO LAND AND RISK		\$52.14	

TABLE 12. Summary of per acre costs and returns for a 1,280 acre farm with above average management, Union County, Projected 2004.

	ALFALFA ESTABLISHMENT	ALFALFA HAY	WHEAT	CORN FOR GRAIN	GRAIN SORGHUM	HAYGRAZER & MILLET
		TONS	BU	BU	CWT	TONS
PRIMARY YIELD		7.00	47.00	185.00	25.00	1.50
PRIMARY PRICE		\$130.00	\$3.75	\$2.45	\$4.03	\$100.00
GOVERNMENT PAYMENTS		\$0.00	\$20.77	\$44.03	\$7.44	\$0.00
SECOND INCOME		\$0.00	\$40.00	\$20.00	\$5.00	\$0.00
GROSS RETURN		\$910.00	\$237.02	\$517.28	\$113.19	\$150.00
CASH OPERATING EXPENSES						
SEED	\$65.00		\$11.80	\$27.63	\$6.50	\$2.70
FERTILIZER		\$37.00	\$21.60	\$140.80	\$53.50	
CHEMICALS				\$67.80	\$22.60	\$13.70
CROP INSURANCE			\$0.12	\$0.39	\$0.39	
OTHER PURCHASED INPUTS		\$14.17				\$3.33
CANAL WATER						
FUEL, OIL & LUBRICANTS-EQUIPMENT	\$4.08	\$10.81	\$10.67	\$18.39	\$13.73	\$6.47
FUEL-IRRIGATION	\$15.79	\$210.49	\$58.55	\$180.97	\$63.87	
REPAIRS	\$6.51	\$34.97	\$18.57	\$42.49	\$19.80	\$4.75
CUSTOM CHARGES						\$0.00
LAND TAXES		\$0.30	\$0.30	\$0.30	\$0.30	\$0.30
OTHER EXPENSES	\$0.11	\$33.23	\$33.09	\$33.30	\$33.12	\$32.97
TOTAL CASH EXPENSES	\$91.48	\$340.97	\$154.71	\$512.08	\$213.83	\$64.22
RETURN OVER CASH EXPENSES	(\$91.48)	\$569.03	\$82.32	\$5.20	(\$100.64)	\$85.78
FIXED EXPENSES	\$19.13	\$71.83	\$48.13	\$107.78	\$69.91	\$10.31
TOTAL EXPENSES	\$110.62	\$412.79	\$202.83	\$619.86	\$283.73	\$74.53
NET FARM INCOME	(\$110.62)	\$497.21	\$34.19	(\$102.58)	(\$170.55)	\$75.47
LABOR AND MANAGEMENT COSTS	\$15.77	\$88.47	\$31.57	\$66.45	\$25.19	\$17.39
NET OPERATING PROFIT	(\$126.38)	\$408.73	\$2.63	(\$169.02)	(\$195.74)	\$58.08
CAPITAL COSTS						
INTEREST ON OPERATING CAPITAL		\$5.65	\$2.38	\$11.42	\$4.18	\$0.78
INTEREST ON EQUIPMENT INVESTMENT		\$10.20	\$15.27	\$33.81	\$23.21	\$5.16
TOTAL CAPITAL COSTS	\$0.00	\$15.85	\$17.65	\$45.23	\$27.39	\$5.94
RETURN TO LAND AND RISK	(\$126.38)	\$392.88	(\$15.02)	(\$214.25)	(\$223.13)	\$52.14

TABLE 13. Whole farm summary, Union County,  
Projected 2004.

GROSS RETURNS		
ALFALFA HAY	375 ACRES	
CROP		\$341,250
WHEAT	420.00 ACRES	
CROP		\$74,025
GRAZING		\$16,800
DIRECT PAYMENT		\$6,622
COUNTER CYCLICAL PAYMENT		\$0
CORN FOR GRAIN	127.50 ACRES	
CROP		\$57,789
GRAZING		\$2,550
DIRECT PAYMENT		\$5,614
COUNTER CYCLICAL PAYMENT		\$0
GRAIN SORGHUM	127.5 ACRES	
CROP		\$12,846
GRAZING		\$638
DIRECT PAYMENT		\$948
COUNTER CYCLICAL PAYMENT		\$0
HAYGRAZER/MILLET	190 ACRES	
CROP		\$28,500
GROSS RETURN		<u>\$547,581</u>
CASH OPERATING EXPENSES		
SEED		\$13,395
FERTILIZER		\$47,720
CHEMICALS		\$14,129
CROP INSURANCE		\$150
OTHER PURCHASED INPUTS		\$5,946
CANAL WATER		\$0
FUEL, OIL & LUBRICANTS-EQUIPMENT		\$14,082
FUEL-IRRIGATION		\$135,609
REPAIRS		\$30,118
CUSTOM CHARGES		\$0
LAND TAXES		\$377
OTHER EXPENSES		\$41,101
TOTAL CASH EXPENSES		<u>\$302,626</u>
RETURN OVER CASH EXPENSES		\$244,955
FIXED EXPENSES		\$66,042
TOTAL EXPENSES		\$368,668
NET FARM INCOME		\$178,913
LABOR AND MANAGEMENT COSTS		\$62,291
NET OPERATING PROFIT		\$116,622
CAPITAL COSTS		
INTEREST ON OPERATING CAPITAL		\$5,256
INTEREST ON EQUIPMENT INVESTMENT		\$18,488
TOTAL CAPITAL COSTS		<u>\$23,744</u>
RETURN TO LAND AND RISK		<u>\$92,878</u>

LAND VALUE	RETURN TO RISK*	RETURN ON INVESTMENT**
\$500 /ACRE	\$67,278	11.23%
\$750 /ACRE	\$54,478	8.58%
\$1,000 /ACRE	\$41,678	6.95%
\$1,250 /ACRE	\$28,878	5.83%
\$1,500 /ACRE	\$16,078	5.03%

\* 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)