

MICROCOMPUTER CROP COST AND RETURN GENERATOR

BUDGET AREA..... UNION COUNTY\Projected 2006.  
FARM SIZE..... 1,280.00 ACRES  
IRRIGATION TYPE..... SPRINKLER  
NUMBER OF CROPS..... 3

VERSION 1.0

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TABLE 1. Acreage Summary, Union County, Projected 2006.

BUDGET AREA..... UNION COUNTY	
FARM SIZE.....	1,280 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>1,280.00</b>		<b>15,923</b>
ACRE FEET PER ACRE OF WATER RIGHTS			1.04

TABLE 2. Basic cost information for Union County, Projected 2006.

Item			
<b>Labor Wage Rate:</b>			
Equipment operators	\$/hour		\$7.45
General & Irrigators	\$/hour		\$6.60
<b>Purchased Inputs:</b>			
<b>Fertilizer:</b>			
Nitrogen (N)	\$/pound		\$0.52
Phosphate (P205)	\$/pound		\$0.40
<b>Seed:</b>			
Wheat	\$/pound		\$0.28
Corn for Grain	\$/bag		\$100.00
Grain Sorghum	\$/pound		\$1.22
Haygrazer/Millet	\$/pound		\$0.41
Natural gas (service charge)	\$/MCF		\$3.28
	\$/month		\$10.00
Diesel fuel	\$/gallon		\$2.10
Gasoline	\$/gallon		\$2.00
Electricity	cents/KwHr		6.78
LP Gas	\$/gallon		\$1.95
Baling Twine	\$/roll		\$0.21
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		8.00%
Equipment Interest Rate	percent		8.00%
Real Interest Rate	percent		3.00%
Land Taxes	\$27.00 /acre		\$0.24
Personal Property Tax Rate	- NR	\$/(\$1,000 (Assessed Value)	\$26.53
	- R		\$23.93
<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 2006.

Item			
Electricity (Domestic & Shop)		\$424.00 per month	\$5,088
Telephone		\$206.70 per month	\$2,480
Accounting & Legal			\$3,132
Misc. Supplies & Hand Tools			\$3,800
Pickup and Auto			
miles	32,860	@ \$0.415 per mile	\$13,637
<b>Insurance</b>			
- general liability (non-employee,			\$3,906
- fire/theft			\$1,982
<b>Property Taxes</b>			
- non-planted land			\$0
- other than land & machinery			\$6,010
Building repairs and maintenance			\$1,654
Dues, fees, publications			\$382
Farmstead Equipment			\$249
<b>Total</b>			<b>\$42,320</b>
Total per planted acre			\$33.11
Total per dryland acre			\$6.62

TABLE 4 - Pumping costs and data for irrigation wells, Union County, Florida, 1982

Table with 3 columns: Item, Value, and Unit. Rows include DEPTH CHARACTERISTICS (DEPTH, STATIC, DRAIN DOWN, TOTAL HEAD, SURGE), EFFICIENCY FACTOR (ELECTRICITY, NATURAL GAS, LP GAS), FUEL COST PER UNIT (DIESEL, NATURAL GAS, LP GAS, OIL), and WELL PUMPING COST (ELECTRIC WELLS, NATURAL GAS WELLS, LP GAS WELLS, DIESEL WELLS).

TABLE 5 - Equipment estimates for a 1,000-acre operation irrigated from well with above average management, Union County, Florida, 1982

Table with 10 columns: Equipment, Annual Hours, Annual Value, Total Value, Fuel, Labor, Other, Interest, Depreciation, Total. Lists various equipment like Tractor, Pumps, Engines, etc.

EQUIPMENT LIST

Detailed equipment list table with columns: Item, Qty, Unit, Annual Value, Total Value, Fuel, Labor, Other, Interest, Depreciation, Total.

USAGE LIST

Detailed usage list table with columns: Item, Hours, Fuel, Labor, Other, Interest, Depreciation, Total.

INTEREST PROVISION

Table showing interest provision details with columns: Item, Hours, Annual Value, Total Value, Fuel, Labor, Other, Interest, Depreciation, Total.

WHEAT

Table showing wheat equipment usage with columns: Machine, Unit, Over, Rate, Total, Custom.

CORN FOR GRAIN

Table showing corn for grain equipment usage with columns: Machine, Unit, Over, Rate, Total, Custom.

GRAN BORGHAM

Table showing gran borgham equipment usage with columns: Machine, Unit, Over, Rate, Total, Custom.

HAYGRASS/BALLET

Table showing haygrass/ballet equipment usage with columns: Machine, Unit, Over, Rate, Total, Custom.

ANNUAL REPAIR COSTS AS A PERCENT OF NEW VALUE

Large table showing annual repair costs as a percent of new value for various equipment categories.

Based on unpublished data of U.S. Dept. of Agriculture - Engineering University of Florida

Based on "Agricultural Machinery Cost" by Agriculture Engineering University, 1982

Codes: 1 Diesel, 2 Gas, 3 Hydraulic, 4 Electric, 5 Other

1 Diesel, 2 Gas, 3 Hydraulic, 4 Electric, 5 Other

TABLE 6. Wheat, sprinkler-irrigated, budgeted per acre costs and returns for a 1,280 acre farm with above average management, Union County, Projected 2006.  
Planting dates: August 15 - November 15  
Harvesting dates: July 1 - July 15

ITEM	PRICE	YIELD	BASE					TOTAL
<b>GROSS RETURNS</b>								
WHEAT	\$3.75	80.00	BUSHEL					\$300.00
DIRECT PAYMENT	\$0.00	80.00	BUSHEL	0.85				\$0.00
COUNTER CYCLICAL PAYMENT	\$0.00							\$0.00
GRAZING	\$37.50	1.00	ACRE					\$37.50
<b>TOTAL</b>								<b>\$337.50</b>
<b>PURCHASED INPUTS</b>								
	PRICE	QUANTITY	PURCHASED INPUTS					TOTAL
SEED	\$0.28	100	LBS	\$28.00				\$28.00
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>\$49.60</b>		<b>\$5.00</b>		<b>\$54.68</b>
<b>PREHARVEST OPERATIONS</b>								
	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
DISC	185 HP	0.07 HR		\$0.52	\$1.52	\$1.27	\$1.90	\$5.22
CHISEL	185 HP	0.09 HR		\$0.67	\$1.96	\$0.70	\$1.90	\$5.23
DISC	185 HP	0.07 HR		\$0.52	\$1.52	\$1.27	\$1.90	\$5.22
DRILL	126 HP	0.12 HR		\$0.89	\$2.08	\$0.68	\$2.40	\$6.05
IRRIGATE (7X)		0.70 HR		\$4.62	\$24.81	\$0.00	\$3.14	\$32.57
<b>SUBTOTAL</b>		<b>1.05 HR</b>		<b>\$7.23</b>	<b>\$31.89</b>	<b>\$3.93</b>	<b>\$11.24</b>	<b>\$54.29</b>
<b>HARVEST OPERATIONS</b>								
COMBINE	GRAIN TABLE	0.14 HR		\$1.04	\$2.46	\$0.55	\$9.01	\$13.06
GRAIN CART	93 HP	0.14 HR		\$1.04	\$1.71	\$0.29	\$1.55	\$4.59
HAUL	SEMI	0.14 HR		\$1.04	\$1.54	\$0.39	\$4.26	\$7.23
<b>SUBTOTAL</b>		<b>0.42 HR</b>		<b>\$0.00</b>	<b>\$3.13</b>	<b>\$1.23</b>	<b>\$14.81</b>	<b>\$24.88</b>
<b>OVERHEAD EXPENSES</b>								
DOWNTIME		0.19 HR		\$1.43				\$1.43
EMPLOYEE BENEFITS				\$1.86				\$1.86
INSURANCE				\$0.21				\$0.21
LAND TAXES							\$0.24	\$0.24
SUPERVISION AND MANAGEMENT				\$24.71				\$24.71
OTHER EXPENSES				\$33.11				\$33.11
<b>SUBTOTAL</b>		<b>0.19 HR</b>		<b>\$33.32</b>	<b>\$28.01</b>		<b>\$0.24</b>	<b>\$61.57</b>
<b>TOTAL OPERATING EXPENSES</b>		<b>1.66 HR</b>		<b>\$82.92</b>	<b>\$38.36</b>	<b>\$37.59</b>	<b>\$5.17</b>	<b>\$195.42</b>
<b>NET OPERATING PROFIT</b>								<b>\$142.08</b>
INTEREST ON OPERATING CAPITAL		( \$34.38 @	8.00%	)				\$2.75
INTEREST ON EQUIPMENT INVESTMENT								\$14.94
<b>RETURN TO LAND AND RISK</b>								<b>\$124.39</b>

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

**BUDGET SUMMARY**

GROSS RETURN		\$337.50	
VARIABLE OPERATING EXPENSES	\$125.68		
RETURN OVER VARIABLE EXPENSES	\$211.82	(GROSS MARGIN)	
FIXED EXPENSES	\$31.29		
NET FARM INCOME	\$180.53	(RETURN TO CAPITAL, LABOR, LAND & RISK)	
LABOR AND MANAGEMENT COST	\$38.36		
NET OPERATING PROFIT	\$142.16	(RETURN TO CAPITAL, LAND & RISK)	
CAPITAL COSTS	\$17.69		
<b>RETURN TO LAND AND RISK</b>		<b>\$124.47</b>	

TABLE 7. Corn for grain, sprinkler-irrigated, budgeted per acre costs and returns for a 1,280 acre farm with above average management, Union County, Projected 2006.  
 Planting dates: April 15 - May 15  
 Harvesting dates: October 1 - November 15

ITEM	PRICE	YIELD	BASE	TOTAL
<b>GROSS RETURNS</b>				
CORN FOR GRAIN	\$2.25	200.00 BUSHELS		\$450.00
DIRECT PAYMENT	\$0.00	200.00 BUSHELS	0.85	\$0.00
COUNTER CYCLICAL PAYMENT	\$0.00	0.00 BUSHELS		\$0.00
GRAZING	\$20.00	1.00 ACRE		\$20.00
<b>TOTAL</b>				<b>\$470.00</b>

PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS	FIXED COST	TOTAL
SEED	\$1.25	26 000	\$32.50		\$32.50
NITROGEN (N)	\$0.52	220 LBS	\$114.40		\$114.40
PHOSPHATE (P2O5)	\$0.40	70 LBS	\$28.00		\$28.00
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.			
CROP INSURANCE	\$0.28				\$0.28
<b>SUBTOTAL</b>			<b>\$299.00</b>	<b>\$5.00</b>	<b>\$304.28</b>

PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
DISC	185 HP	0.07 HR		\$0.52	\$1.52	\$1.27	\$1.90	\$5.22
CHISEL	185 HP	0.09 HR		\$0.67	\$1.96	\$0.70	\$1.90	\$5.23
DISC & SPRAY	185 HP	0.10 HR		\$0.75	\$2.18	\$1.89	\$3.19	\$8.01
PLANTER	126 HP	0.12 HR		\$0.89	\$2.08	\$0.79	\$4.02	\$7.79
ROLLING CULT (2X)	126 HP	0.20 HR		\$1.49	\$3.46	\$1.79	\$4.23	\$10.98
SIDEDRESS	185 HP	0.17 HR		\$1.27	\$3.70	\$0.98	\$3.23	\$9.17
IRRIGATE (16X)		1.60 HR		\$10.56	\$76.68	\$0.00	\$9.72	\$96.95
<b>SUBTOTAL</b>		<b>2.35 HR</b>		<b>\$16.15</b>	<b>\$91.58</b>	<b>\$7.43</b>	<b>\$28.19</b>	<b>\$143.35</b>

HARVEST OPERATIONS								
COMBINE	CORN HEAD	0.20 HR		\$1.49	\$3.51	\$0.93	\$21.95	\$27.88
GRAIN CART	93 HP	0.20 HR		\$1.49	\$2.44	\$0.41	\$2.21	\$6.55
HAUL	SEMI	0.20 HR		\$1.49	\$2.21	\$0.56	\$6.08	\$10.33
<b>SUBTOTAL</b>		<b>0.60 HR</b>	<b>\$0.00</b>	<b>\$4.47</b>	<b>\$8.15</b>	<b>\$1.91</b>	<b>\$30.24</b>	<b>\$44.76</b>

OVERHEAD EXPENSES								
DOWNTIME		0.30 HR		\$2.20				\$2.20
EMPLOYEE BENEFITS				\$3.71				\$3.71
INSURANCE			\$0.41					\$0.41
LAND TAXES							\$0.24	\$0.24
SUPERVISION AND MANAGEMENT				\$36.14				\$36.14
OTHER EXPENSES			\$33.11					\$33.11
<b>SUBTOTAL</b>		<b>0.30 HR</b>	<b>\$33.53</b>	<b>\$42.05</b>			<b>\$0.24</b>	<b>\$75.81</b>

TOTAL OPERATING EXPENSES 3.25 HR \$332.53 \$62.67 \$99.72 \$9.34 \$63.67 \$568.21

NET OPERATING PROFIT (\$98.21)

INTEREST ON OPERATING CAPITAL ( \$183.54 @ 8.00% ) \$14.68  
 INTEREST ON EQUIPMENT INVESTMENT \$33.91

RETURN TO LAND AND RISK (\$146.80)

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

BUDGET SUMMARY

GROSS RETURN		\$470.00	
VARIABLE OPERATING EXPENSES	\$441.59		
RETURN OVER VARIABLE EXPENSES	\$28.41	(GROSS MARGIN)	
FIXED EXPENSES	\$63.67		
NET FARM INCOME	(\$35.26)	(RETURN TO CAPITAL, LABOR, LAND & RISK)	
LABOR AND MANAGEMENT COST	\$62.67		
NET OPERATING PROFIT	(\$97.93)	(RETURN TO CAPITAL, LAND & RISK)	
CAPITAL COSTS	\$48.59		
RETURN TO LAND AND RISK		(\$146.52)	

TABLE 8. Grain sorghum, sprinkler-irrigated, budgeted per acre costs and returns for a 1,280 acre farm with above average management, Union County, Projected 2006.  
 Planting dates: May 15 - June 15  
 Harvesting dates: October 15 - November 15

ITEM	PRICE	YIELD	BASE						TOTAL
<b>GROSS RETURNS</b>									
GRAIN SORGHUM	\$3.70	45.00 CWT							\$166.34
DIRECT PAYMENT	\$0.00	45.00 CWT	0.85						\$0.00
COUNTER CYCLICAL PAYMENT	\$0.00	0.00 CWT							\$0.00
GRAZING	\$5.00	1.00 ACRE							\$5.00
<b>TOTAL</b>									<b>\$171.34</b>
<b>PURCHASED INPUTS</b>									
	PRICE	QUANTITY	PURCHASED INPUTS				FIXED COST		TOTAL
SEED	\$1.22	5 LBS	\$6.10						\$6.10
NITROGEN (N)	\$0.52	150 LBS	\$78.00						\$78.00
PHOSPHATE (P205)	\$0.40	50 LBS	\$20.00						\$20.00
HERBICIDE	\$28.16	1 ACRE	\$28.16						\$28.16
LIVESTOCK FAC & EQUIP PUMP WATER*		12 AC. IN.					\$5.00		\$5.00
CROP INSURANCE	\$0.19								\$0.19
<b>SUBTOTAL</b>			<b>\$132.26</b>				<b>\$5.00</b>		<b>\$137.45</b>
<b>PREHARVEST OPERATIONS</b>									
	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST		TOTAL
DISC	185 HP	0.07 HR		\$0.52	\$1.52	\$1.27	\$1.90		\$5.22
CHISEL	185 HP	0.09 HR		\$0.67	\$1.96	\$0.70	\$1.90		\$5.23
DISC & SPRAY	185 HP	0.10 HR		\$0.75	\$2.18	\$1.89	\$3.19		\$8.01
PLANTER	126 HP	0.12 HR		\$0.89	\$2.08	\$0.79	\$4.02		\$7.79
ROLLING CULT.	126 HP	0.10 HR		\$0.75	\$1.73	\$0.89	\$2.12		\$5.49
SIDEDRESS	185 HP	0.17 HR		\$1.27	\$3.70	\$0.98	\$3.23		\$9.17
IRRIGATE (6X)		0.60 HR		\$3.96	\$27.06	\$0.00	\$3.43		\$34.45
<b>SUBTOTAL</b>		<b>1.25 HR</b>		<b>\$8.80</b>	<b>\$40.23</b>	<b>\$6.54</b>	<b>\$19.79</b>		<b>\$75.36</b>
<b>HARVEST OPERATIONS</b>									
COMBINE	GRAIN TABLE	0.14 HR		\$1.04	\$2.46	\$0.55	\$9.01		\$13.06
GRAIN TABLE	93 HP	0.14 HR		\$1.04	\$1.71	\$0.29	\$1.55		\$4.59
HAUL	2 TON	0.14 HR		\$1.04	\$1.23	\$0.06	\$7.80		\$10.13
<b>SUBTOTAL</b>		<b>0.42 HR</b>	<b>\$0.00</b>	<b>\$3.13</b>	<b>\$5.40</b>	<b>\$0.90</b>	<b>\$18.36</b>		<b>\$27.78</b>
<b>OVERHEAD EXPENSES</b>									
DOWNTIME		0.23 HR		\$1.68					\$1.68
EMPLOYEE BENEFITS				\$2.15					\$2.15
INSURANCE			\$0.24						\$0.24
LAND TAXES							\$0.24		\$0.24
SUPERVISION AND MANAGEMENT				\$13.25					\$13.25
OTHER EXPENSES			\$33.11						\$33.11
<b>SUBTOTAL</b>		<b>0.23 HR</b>	<b>\$33.35</b>	<b>\$17.08</b>			<b>\$0.24</b>		<b>\$50.67</b>
<b>TOTAL OPERATING EXPENSES</b>		<b>1.90 HR</b>	<b>\$165.61</b>	<b>\$29.01</b>	<b>\$45.62</b>	<b>\$7.44</b>	<b>\$43.38</b>		<b>\$291.25</b>
<b>NET OPERATING PROFIT</b>									<b>(\$119.91)</b>
INTEREST ON OPERATING CAPITAL		( \$78.44 @ 8.00% )							\$6.28
INTEREST ON EQUIPMENT INVESTMENT									\$21.23
<b>RETURN TO LAND AND RISK</b>									<b>(\$147.42)</b>

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

**BUDGET SUMMARY**

GROSS RETURN		\$171.34	
VARIABLE OPERATING EXPENSES	\$218.67		
RETURN OVER VARIABLE EXPENSES		(\$47.33)	(GROSS MARGIN)
FIXED EXPENSES	\$43.38		
NET FARM INCOME		(\$90.72)	(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$29.01		
NET OPERATING PROFIT		(\$119.72)	(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$27.51		
<b>RETURN TO LAND AND RISK</b>		<b>(\$147.23)</b>	

TABLE 9. Haygrazer/millet, dryland, budgeted per acre costs and returns for a 1,280 acre farm with above average management, Union County, Projected 2006.  
 Planting dates: June 1 - June 15  
 Harvesting dates: September 1 - September 15

ITEM	PRICE	YIELD						TOTAL
<b>GROSS RETURNS</b>								
HAY	\$105.00	1.50 TONS (STACKED)						\$157.50
<b>TOTAL</b>								<b>\$157.50</b>
<b>PURCHASED INPUTS</b>								
	PRICE	QUANTITY	PURCHASED INPUTS				FIXED COST	TOTAL
SEED	\$0.41	6.00 LBS	\$2.46					\$2.46
HERBICIDE	\$14.79	1.00 ACRE	\$14.79					\$14.79
BALING TWINE	\$0.21	0.13 ROLL	\$0.03					\$0.03
<b>SUBTOTAL</b>			<b>\$17.28</b>					<b>\$17.28</b>
<b>PREHARVEST OPERATIONS</b>								
	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
CHISEL	185 HP	0.09 HR		\$0.67	\$1.96	\$0.70	\$1.90	\$5.23
DISC	185 HP	0.07 HR		\$0.52	\$1.52	\$1.27	\$1.90	\$5.22
DRILL	126 HP	0.12 HR		\$0.89	\$2.08	\$0.68	\$2.40	\$6.05
<b>SUBTOTAL</b>		<b>0.28 HR</b>		<b>\$2.09</b>	<b>\$5.56</b>	<b>\$2.66</b>	<b>\$6.19</b>	<b>\$16.50</b>
<b>HARVEST OPERATIONS</b>								
SWATHER		0.16 HR		\$1.19	\$1.26	\$0.09	\$8.31	\$10.85
BALER	126 HP	0.17 HR		\$1.27	\$2.94	\$0.71	\$5.20	\$10.13
<b>SUBTOTAL</b>		<b>0.33 HR</b>	<b>\$0.00</b>	<b>\$2.46</b>	<b>\$4.20</b>	<b>\$0.81</b>	<b>\$13.51</b>	<b>\$20.98</b>
<b>OVERHEAD EXPENSES</b>								
DOWNTIME		0.15 HR		\$1.14				\$1.14
EMPLOYEE BENEFITS				\$0.82				\$0.82
INSURANCE			\$0.09					\$0.09
LAND TAXES							\$0.24	\$0.24
SUPERVISION AND MANAGEMENT				\$11.33				\$11.33
OTHER EXPENSES			\$6.62					\$6.62
<b>SUBTOTAL</b>		<b>0.15 HR</b>	<b>\$6.71</b>	<b>\$13.28</b>			<b>\$0.24</b>	<b>\$20.24</b>
<b>TOTAL OPERATING EXPENSES</b>		<b>0.43 HR</b>	<b>\$23.99</b>	<b>\$17.83</b>	<b>\$9.76</b>	<b>\$3.47</b>	<b>\$19.94</b>	<b>\$74.99</b>
<b>NET OPERATING PROFIT</b>								<b>\$82.51</b>
INTEREST ON OPERATING CAPITAL		( \$11.11 @	8.00%	)				\$0.89
INTEREST ON EQUIPMENT INVESTMENT								\$14.07
<b>RETURN TO LAND AND RISK</b>								<b>\$67.54</b>

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

**BUDGET SUMMARY**

GROSS RETURN		\$157.50	
VARIABLE OPERATING EXPENSES	\$37.22		
RETURN OVER VARIABLE EXPENSES	\$120.28		(GROSS MARGIN)
FIXED EXPENSES	\$19.94		
NET FARM INCOME	\$100.34		(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$17.83		
NET OPERATING PROFIT	\$82.51		(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$14.96		
RETURN TO LAND AND RISK		\$67.54	

TABLE 10. Summary of per acre costs and returns for a 1,280 acre farm with above average management, Union County  
Projected 2006.

	WHEAT	CORN FOR GRAIN	GRAIN SORGHUM	HAYGRAZER & MILLET
	BU	BU	CWT	(Dryland) TONS
PRIMAR YIELD	80.00	200.00	45.00	1.50
PRIMARY PRICE	\$3.75	\$2.25	\$3.70	\$105.00
GOVERNMENT PAYMENTS	\$0.00	\$0.00	\$0.00	\$0.00
SECOND INCOME	\$37.50	\$20.00	\$5.00	\$0.00
GROSS RETURN	\$337.50	\$470.00	\$171.34	\$157.50
CASH OPERATING EXPENSES				
SEED	\$28.00	\$32.50	\$6.10	\$2.46
FERTILIZER	\$21.60	\$176.90	\$98.00	
CHEMICALS		\$89.60	\$28.16	\$14.79
CROP INSURANCE	\$0.08	\$0.28	\$0.19	
OTHER PURCHASED INPUTS				\$0.03
CANAL WATER				
FUEL, OIL & LUBRICANTS-EQUIPMENT	\$12.79	\$23.05	\$18.56	\$9.76
FUEL-IRRIGATION	\$24.81	\$76.68	\$27.06	
REPAIRS	\$5.17	\$9.34	\$7.44	\$3.47
CUSTOM CHARGES				\$0.00
LAND TAXES	\$0.24	\$0.24	\$0.24	\$0.24
OTHER EXPENSES	\$33.32	\$33.53	\$33.35	\$6.71
TOTAL CASH EXPENSES	\$126.01	\$442.11	\$219.10	\$37.46
RETURN OVER CASH EXPENSES	\$211.49	\$27.89	(\$47.76)	\$120.04
FIXED EXPENSES	\$31.05	\$63.43	\$43.14	\$19.70
TOTAL EXPENSES	\$157.06	\$505.54	\$262.24	\$57.16
NET FARM INCOME	\$180.44	(\$35.54)	(\$90.90)	\$100.34
LABOR AND MANAGEMENT COSTS	\$38.36	\$62.67	\$29.01	\$17.83
NET OPERATING PROFIT	\$142.08	(\$98.21)	(\$119.91)	\$82.51
CAPITAL COSTS				
INTEREST ON OPERATING CAPITAL	\$2.75	\$14.68	\$6.28	\$0.89
INTEREST ON EQUIPMENT INVESTMENT	\$14.94	\$33.91	\$21.23	\$14.07
TOTAL CAPITAL COSTS	\$17.69	\$48.59	\$27.51	\$14.96
RETURN TO LAND AND RISK	\$124.39	(\$146.80)	(\$147.42)	\$67.54
Flex Computation	170.38	-49.46	-83.04	



TABLE 11. Whole farm summary, Union County,  
Projected 2006.

GROSS RETURNS		
WHEAT	604 ACRES	
CROP		\$181,125
GRAZING		\$22,641
DIRECT PAYMENT		\$0
COUNTER CYCLICAL PAYMENT		\$0
CORN FOR GRAIN	179 ACRES	
CROP		\$80,325
GRAZING		\$3,570
DIRECT PAYMENT		\$0
COUNTER CYCLICAL PAYMENT		\$0
GRAIN SORGHUM	268 ACRES	
CROP		\$44,537
GRAZING		\$1,339
DIRECT PAYMENT		\$0
COUNTER CYCLICAL PAYMENT		\$0
HAYGRAZER/MILLET	190 ACRES	
CROP		\$29,925
GROSS RETURN		<u>\$363,462</u>
CASH OPERATING EXPENSES		
SEED		\$24,807
FERTILIZER		\$70,857
CHEMICALS		\$26,344
CROP INSURANCE		\$150
OTHER PURCHASED INPUTS		\$5
CANAL WATER		\$0
FUEL, OIL & LUBRICANTS-EQUIPMENT		\$18,658
FUEL-IRRIGATION		\$35,911
REPAIRS		\$7,437
CUSTOM CHARGES		\$0
LAND TAXES		\$296
OTHER EXPENSES		\$36,308
TOTAL CASH EXPENSES		<u>\$220,773</u>
RETURN OVER CASH EXPENSES		\$142,689
FIXED EXPENSES		\$45,365
TOTAL EXPENSES		\$266,138
NET FARM INCOME		\$97,324
LABOR AND MANAGEMENT COSTS		\$45,503
NET OPERATING PROFIT		\$51,821
CAPITAL COSTS		
INTEREST ON OPERATING CAPITAL		\$6,130
INTEREST ON EQUIPMENT INVESTMENT		\$23,431
TOTAL CAPITAL COSTS		<u>\$29,561</u>
RETURN TO LAND AND RISK		<u>\$22,259</u>

LAND VALUE	RETURN TO RISK*	RETURN ON INVESTMENT**
\$500 /ACRE	\$3,059	5.88%
\$750 /ACRE	(\$6,541)	4.31%
\$1,000 /ACRE	(\$16,141)	3.41%
\$1,250 /ACRE	(\$25,741)	2.81%
\$1,500 /ACRE	(\$35,341)	2.40%

\* 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)