

# MICROCOMPUTER CROP COST AND RETURN GENERATOR

BUDGET AREA..... SOUTHEASTERN QUAY COUNTY, Projected 2009.  
FARM SIZE..... 1,920.00 ACRES  
IRRIGATION TYPE... DRYLAND  
NUMBER OF CROPS.. 1

VERSION 1.0

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TABLE 1. Acreage Summary, Southeastern Quay County,  
Projected 2009.

BUDGET AREA.....	SOUTHEASTERN QUAY COUNTY
FARM SIZE.....	1920 ACRES
IRRIGATION TYPE...	DRYLAND
NUMBER OF CROPS...	1

  

ACREAGE SUMMARY:	LAND USE (ACRES)
WHEAT	1,088.00
ARP	0.00
FLEX IN WHEAT	192.00
FALLOW	620.00
ROADS, HOMESTEAD	20.00
<b>TOTAL</b>	<b>1,920.00</b>

TABLE 2. Basic cost information for Southeastern Quay County,  
Projected 2009.

Item		
<b>Labor Wage Rate:</b>		
Equipment operators	\$/hour	\$8.55
General & Irrigators	\$/hour	\$7.25
<b>Purchased Inputs:</b>		
<b>Seed:</b>		
Wheat	\$/pound	\$0.26
<b>Energy:</b>		
Diesel fuel	\$/gallon	\$2.80
Gasoline	\$/gallon	\$2.50
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	7.50%
Land Interest Rate	percent	7.25%
Equipment Interest Rate	percent	7.50%
Real Interest Rate	percent	3.00%
Land Taxes	\$38.00 /acre (full value)	\$0.31
Personal Property Tax Rate - NR	\$/(\$1,000 (Assessed Value)	\$24.65
- R		\$17.65
Supervision Factor	\$/labor hour	\$1.00
Management Rate	percent	7.00%

TABLE 3. Overhead cost information for Southeastern Quay County,  
Projected 2009.

Item		
Electricity (Domestic & Shop)	\$232.00 per month	\$2,784
Telephone	\$179.80 per month	\$2,158
Accounting & Legal		\$1,676
Misc. Supplies & Hand Tools		\$2,494
Pickup and Auto		
miles	35,960 @ \$0.415 per mile	\$14,923
<b>Insurance</b>		
- general liability (non-employee)		\$1,798
- fire/theft		\$1,421
<b>Property Taxes</b>		
- non-planted land		\$0
- other than land & machinery		\$6,010
Building repairs and maintenance		\$1,369
Dues, fees, publications		\$412
Farmstead Equipment		\$174
	<b>Total</b>	<b>\$35,219</b>
	<b>Total per planted acre</b>	<b>\$27.51</b>

TABLE 4. Equipment summary for a 1,920 acre dryland farm, Southeastern Quay County, Projected 2009.

ITEM & SIZE	ANNUAL HOURS OF USE	NUMBER	TOTAL VALUE	VARIABLE COSTS			FIXED COSTS				
				FUEL, OIL, LUBRICANT	REPAIR	FUEL, OIL PER HR	REPAIR PER HR	DEPRECIATION	TAXES	TOTAL PER HR	
TRACTOR 93 HP	128	1	\$17,030	\$2,183	\$265	\$17.05	\$2.07	\$987	\$142	\$8.82	
TRACTOR 185 HP	256	1	\$42,580	\$7,425	\$1,481	\$29.00	\$5.79	\$6,428	\$396	\$26.66	
COMBINE 145 HP	179	1	\$57,074	\$4,191	\$477	\$23.39	\$2.66	\$8,864	\$546	\$52.51	
GRAIN HEAL 22 FT	179	1	\$3,600		\$27		\$0.15	\$501	\$31	\$2.97	
TRUCK 2T 20 FT	179	1	\$22,000	\$3,187	\$3,893	\$17.79	\$21.72	\$4,400	\$181	\$25.56	
ROD WEED 40 FT	128	1	\$1,200		\$190		\$1.49	\$160	\$10	\$1.33	
CRUSTBUST 40 FT	64	1	\$5,500		\$169		\$2.64	\$1,100	\$45	\$17.89	
STUB. MULC 25 FT	64	1	\$7,650		\$607		\$9.49	\$1,020	\$63	\$16.92	
SWEEP 40 FT	128	1	\$6,750		\$1,071		\$8.37	\$900	\$55	\$7.46	
			\$163,384	\$16,986	\$8,181				\$24,360	\$1,469	

EQUIPMENT LIST

ITEM	NEW VALUE	USED VALUE	YEARS LIFE	EQUIP CODE	MAX HOURS	FUEL UNIT/HR	LUBE COEF	ACCUM HOURS	INTEREST AGE	INTEREST EXPENSE
TRACTOR 93 HP	34550.00	17030.00	35.00	1.00	800.00	5.54	0.10	2944.00	23.00	1295.63
TRACTOR 185 HP	96420.00	42580.00	15.00	1.00	800.00	9.42	0.10	2816.00	11.00	3615.75
COMBINE 145 HP	132955.00	57073.50	15.00	2.00	300.00	6.96	0.20	2329.60	13.00	4985.81
GRAIN HEAL 22 FT	7520.00	3600.00	15.00	2.00	300.00			2329.60	13.00	282.00
TRUCK 2T 20 FT	44000.00	22000.00	10.00	6.00	800.00	6.05	0.05	2329.60	13.00	1650.00
ROD WEED 40 FT	2400.00	1200.00	15.00	3.00	300.00			1920.00	15.00	90.00
CRUSTBUST 40 FT	11000.00	5500.00	10.00	8.00	100.00			832.00	13.00	412.50
STUB. MULC 25 FT	15300.00	7650.00	15.00	3.00	300.00			960.00	15.00	573.75
SWEEP 40 FT	13500.00	6750.00	15.00	3.00	300.00			2048.00	16.00	506.25



TABLE 6. Summary of per acre costs and returns for a 1,920 acre farm with above average management, Southeastern Quay County, Projected 2009.

	WHEAT -DRYLAND-
	BU
PRIMARY YIELD	14.00
PRIMARY PRICE	\$6.00
GOVERNMENT PAYMENTS	\$0.00
SECOND INCOME	\$5.00
GROSS RETURN	\$89.00
CASH OPERATING EXPENSES	
SEED	\$6.50
FERTILIZER	
CHEMICALS	
CROP INSURANCE	\$0.04
OTHER PURCHASED INPUTS	\$0.10
CANAL WATER	
FUEL, OIL & LUBRICANTS-EQUIPMENT	\$13.27
FUEL-IRRIGATION	
REPAIRS	\$6.39
CUSTOM CHARGES	
LAND TAXES	\$0.31
OTHER EXPENSES	\$27.51
TOTAL CASH EXPENSES	<u>\$54.13</u>
RETURN OVER CASH EXPENSES	\$34.87
FIXED EXPENSES	\$20.18
TOTAL EXPENSES	\$74.31
NET FARM INCOME	\$14.69
LABOR AND MANAGEMENT COSTS	\$10.70
NET OPERATING PROFIT	\$4.00
CAPITAL COSTS	
INTEREST ON OPERATING CAPITAL	\$0.50
INTEREST ON EQUIPMENT INVESTMENT	\$10.48
TOTAL CAPITAL COSTS	<u>\$10.98</u>
RETURN TO LAND AND RISK	<u>(\$6.98)</u>

TABLE 7. Whole farm summary, Southeastern Quay County,  
Projected 2009.

GROSS RETURNS		
WHEAT	1,280 ACRES	
CROP		\$107,520
GRAZING		\$6,400
DIRECT PAYMENT		\$0
COUNTER CYCLICAL PAYMENT		\$0
GROSS RETURN		<u>\$113,920</u>
CASH OPERATING EXPENSES		
SEED		\$8,320
FERTILIZER		\$0
CHEMICALS		\$0
CROP INSURANCE		\$50
OTHER PURCHASED INPUTS		\$127
CANAL WATER		\$0
FUEL, OIL & LUBRICANTS-EQUIPMENT		\$16,986
FUEL-IRRIGATION		\$0
REPAIRS		\$8,181
CUSTOM CHARGES		\$0
LAND TAXES		\$400
OTHER EXPENSES		\$35,219
TOTAL CASH EXPENSES		<u>\$69,282</u>
RETURN OVER CASH EXPENSES		\$44,638
FIXED EXPENSES		\$25,829
TOTAL EXPENSES		\$95,111
NET FARM INCOME		\$18,809
LABOR AND MANAGEMENT COSTS		\$13,690
NET OPERATING PROFIT		\$5,119
CAPITAL COSTS		
INTEREST ON OPERATING CAPITAL		\$639
INTEREST ON EQUIPMENT INVESTMENT		\$13,412
TOTAL CAPITAL COSTS		<u>\$14,050</u>
RETURN TO LAND AND RISK		<u>(\$8,931)</u>
LAND VALUE	RETURN TO RISK*	RETURN ON INVESTMENT**
\$150 /ACRE	(\$17,571)	1.13%
\$300 /ACRE	(\$26,211)	0.69%
\$450 /ACRE	(\$34,851)	0.50%
\$600 /ACRE	(\$43,491)	0.39%
\$750 /ACRE	(\$52,131)	0.32%
\$900 /ACRE	(\$60,771)	0.27%

\* 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)