

TABLE 1. Acreage Summary, Union County,
Projected 2014

| 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 | | |
| TOTAL | 1,280.00 | | 15,923 |
| ACRE FEET PER ACRE OF WATER RIGHTS | | | 1.04 |

TABLE 2. Basic cost information for Union County,
Projected 2014

| Item | | |
|---------------------------------|-------------------|--|
| Labor Wage Rate: | | |
| Equipment operators | \$/hour | \$8.55 |
| General & Irrigators | \$/hour | \$7.50 |
| Purchased Inputs: | | |
| Fertilizer: | | |
| Nitrogen (N) | \$/pound | \$0.50 |
| Phosphate (P205) | \$/pound | \$0.40 |
| Seed: | | |
| Wheat | \$/pound | \$0.45 |
| Corn for Grain | \$/bag | \$261.00 |
| Grain Sorghum | \$/pound | \$1.31 |
| Haygrazer/Millet | \$/pound | \$0.86 |
| Natural gas (service charge) | \$/MCF | \$4.00 |
| Diesel fuel | \$/month | \$10.00 |
| Gasoline | \$/gallon | \$4.00 |
| Electricity | \$/gallon | \$3.50 |
| LP Gas | cents/KwHr | 7.94 |
| | \$/gallon | \$2.80 |
| Baling Twine | \$/roll | \$0.72 |
| Employee Liability Insurance | \$/ \$1,000 wages | \$20.00 |
| Employee Benefits | percent/wages | 18.00% |
| Labor Downtime | percent | 25.00% |
| Financial Rates: | | |
| Operating Capital Interest Rate | percent | 5.50% |
| Land Interest Rate | percent | 5.00% |
| Equipment Interest Rate | percent | 5.50% |
| Real Interest Rate | percent | 3.00% |
| Land Taxes | \$27.00 /acre | \$0.21 |
| Personal Property Tax Rate | - NR - R | \$/ \$1,000 (Assessed Value) \$23.18 \$20.51 |
| Supervision Factors | | |
| 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 2014

| Item | | | |
|------------------------------------|----------|-------------------------------|------------------|
| Electricity (Domestic & Shop) | \$484.00 | per month | \$5,808 |
| Telephone | \$235.95 | per month | \$2,831 |
| Accounting & Legal | | | \$3,576 |
| Misc. Supplies & Hand Tools | | | \$4,338 |
| Pickup and Auto | | | |
| miles | 37,510 | @ | \$0.500 per mile |
| Insurance | | | \$18,755 |
| - general liability (non-employee) | | | \$4,459 |
| - fire/theft | | | \$2,263 |
| Property Taxes | | | |
| - non-planted land | | | \$0 |
| - other than land & machinery | | | \$6,010 |
| Building repairs and maintenance | | | \$1,888 |
| Dues, fees, publications | | | \$436 |
| Farmstead Equipment | | | \$284 |
| Total | | | \$50,647 |
| | | Total per planted acre | \$39.63 |
| | | Total per dryland acre | \$7.93 |

TABLE 6. Wheat, sprinkler-irrigated, budgeted per acre costs and returns for a 1,280 acre farm with above average management, Union County, Projected 2014
 Planting dates: August 15 - November 15
 Harvesting dates: July 1 - July 15

| ITEM | PRICE | YIELD | BASE | | | | | | TOTAL | |
|----------------------------------|-------------|---------------------|------------------|-----------------|----------------|----------------|----------------|-----------------|-----------------|--------|
| GROSS RETURNS | | | | | | | | | | |
| WHEAT | \$7.00 | 80.00 | BUSHEL | | | | | | \$560.00 | |
| 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 | |
| TOTAL | | | | | | | | | \$597.50 | |
| PURCHASED INPUTS | | | | | | | | | | |
| PURCHASED INPUTS | PRICE | QUANTITY | PURCHASED INPUTS | | | | FIXED COST | TOTAL | | |
| SEED | \$0.45 | 100 | LBS | \$45.00 | | | | \$45.00 | | |
| MANURE | \$2.70 | 8 | TON | \$21.60 | | | | \$21.60 | | |
| LIVESTOCK FAC & EQUIP | | | | | | \$5.00 | \$5.00 | | | |
| PUMP WATER* | | 11 | AC. IN. | | | | | | | |
| CROP INSURANCE | \$0.08 | | | | | | | | \$0.08 | |
| SUBTOTAL | | | | \$66.60 | | | | \$5.00 | \$71.68 | |
| PREHARVEST OPERATIONS | | | | | | | | | | |
| PREHARVEST OPERATIONS | POWER UNIT | ACCOMPLISHMENT RATE | PURCHASED INPUTS | LABOR | FUEL & LUBE | REPAIRS | FIXED COST | TOTAL | | |
| DISC | 185 HP | 0.07 | HR | \$0.60 | \$2.90 | \$1.26 | \$1.86 | \$6.62 | | |
| CHISEL | 185 HP | 0.09 | HR | \$0.77 | \$3.73 | \$0.69 | \$1.84 | \$7.04 | | |
| DISC | 185 HP | 0.07 | HR | \$0.60 | \$2.90 | \$1.26 | \$1.86 | \$6.62 | | |
| DRILL | 126 HP | 0.12 | HR | \$1.03 | \$3.96 | \$0.68 | \$2.37 | \$8.04 | | |
| IRRIGATE (7X) | | 0.70 | HR | \$5.25 | \$30.21 | \$0.00 | \$3.11 | \$38.57 | | |
| SUBTOTAL | | 1.05 | HR | \$8.24 | \$43.70 | \$3.90 | \$11.05 | \$66.89 | | |
| HARVEST OPERATIONS | | | | | | | | | | |
| COMBINE | GRAIN TABLE | 0.14 | HR | \$1.20 | \$4.68 | \$0.55 | \$8.93 | \$15.36 | | |
| GRAIN CART | 93 HP | 0.14 | HR | \$1.20 | \$2.98 | \$0.13 | \$0.91 | \$5.22 | | |
| HAUL | SEMI | 0.14 | HR | \$1.20 | \$2.94 | \$0.39 | \$4.23 | \$8.76 | | |
| SUBTOTAL | | 0.42 | HR | \$0.00 | \$3.59 | \$10.60 | \$1.08 | \$14.07 | \$29.34 | |
| OVERHEAD EXPENSES | | | | | | | | | | |
| DOWNTIME | | 0.19 | HR | \$1.65 | | | | | \$1.65 | |
| EMPLOYEE BENEFITS | | | | \$2.13 | | | | | \$2.13 | |
| INSURANCE | | | | \$0.24 | | | | | \$0.24 | |
| LAND TAXES | | | | | | | \$0.21 | \$0.21 | | |
| SUPERVISION AND MANAGEMENT | | | | \$42.91 | | | | | \$42.91 | |
| OTHER EXPENSES | | | | \$39.63 | | | | | \$39.63 | |
| SUBTOTAL | | 0.19 | HR | \$39.87 | \$46.69 | | | \$0.21 | \$86.76 | |
| TOTAL OPERATING EXPENSES | | 1.66 | HR | \$106.47 | \$58.52 | \$54.30 | \$4.98 | \$30.33 | \$254.67 | |
| NET OPERATING PROFIT | | | | | | | | \$342.83 | | |
| INTEREST ON OPERATING CAPITAL | | (| \$46.21 | @ | 5.50% |) | | | | |
| INTEREST ON EQUIPMENT INVESTMENT | | | | | | | | | \$9.77 | |
| RETURN TO LAND AND RISK | | | | | | | | \$330.51 | | |

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

BUDGET SUMMARY

| | | | |
|-------------------------------|----------|----------|---|
| GROSS RETURN | | \$597.50 | |
| VARIABLE OPERATING EXPENSES | \$165.74 | | |
| RETURN OVER VARIABLE EXPENSES | | \$431.76 | (GROSS MARGIN) |
| FIXED EXPENSES | \$30.33 | | |
| NET FARM INCOME | | \$401.43 | (RETURN TO CAPITAL, LABOR, LAND & RISK) |
| LABOR AND MANAGEMENT COST | \$58.52 | | |
| NET OPERATING PROFIT | | \$342.91 | (RETURN TO CAPITAL, LAND & RISK) |
| CAPITAL COSTS | \$12.31 | | |
| RETURN TO LAND AND RISK | | \$330.60 | |

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 2014
 Planting dates: April 15 - May 15
 Harvesting dates: October 1 - November 15

| ITEM | PRICE | YIELD | BASE | TOTAL |
|--------------------------|---------|---------------|------|-----------------|
| GROSS RETURNS | | | | |
| CORN FOR GRAIN | \$4.30 | 200.00 BUSHEL | | \$860.00 |
| DIRECT PAYMENT | \$0.00 | 200.00 BUSHEL | 0.85 | \$0.00 |
| COUNTER CYCLICAL PAYMENT | \$0.00 | 0.00 BUSHEL | | \$0.00 |
| GRAZING | \$20.00 | 1.00 ACRE | | \$20.00 |
| TOTAL | | | | \$880.00 |

| PURCHASED INPUTS | PRICE | QUANTITY | PURCHASED INPUTS | FIXED COST | TOTAL |
|-----------------------|---------|------------|------------------|---------------|-----------------|
| SEED | \$3.26 | 26 000 | \$84.83 | | \$84.83 |
| NITROGEN (N) | \$0.50 | 220 LBS | \$110.00 | | \$110.00 |
| 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 |
| SUBTOTAL | | | \$346.93 | \$5.00 | \$352.21 |

| PREHARVEST OPERATIONS | POWER UNIT | ACCOMPLISHMENT RATE | PURCHASED INPUTS | LABOR | FUEL & LUBE | REPAIRS | FIXED COST | TOTAL |
|-----------------------|------------|---------------------|------------------|----------------|-----------------|---------------|----------------|-----------------|
| DISC | 185 HP | 0.07 HR | | \$0.60 | \$2.90 | \$1.26 | \$1.86 | \$6.62 |
| CHISEL | 185 HP | 0.09 HR | | \$0.77 | \$3.73 | \$0.69 | \$1.84 | \$7.04 |
| DISC & SPRAY | 185 HP | 0.10 HR | | \$0.86 | \$4.14 | \$1.88 | \$3.13 | \$10.00 |
| PLANTER | 126 HP | 0.12 HR | | \$1.03 | \$3.96 | \$0.79 | \$3.99 | \$9.77 |
| ROLLING CULT (2X) | 126 HP | 0.20 HR | | \$1.71 | \$6.60 | \$1.79 | \$4.19 | \$14.29 |
| SIDEDRESS | 185 HP | 0.17 HR | | \$1.45 | \$7.04 | \$0.96 | \$3.13 | \$12.59 |
| IRRIGATE (16X) | | 1.60 HR | | \$12.00 | \$93.37 | \$0.00 | \$9.63 | \$114.99 |
| SUBTOTAL | | 2.35 HR | | \$18.41 | \$121.74 | \$7.38 | \$27.77 | \$175.30 |

| HARVEST OPERATIONS | | | | | | | | |
|--------------------|-----------|----------------|---------------|---------------|----------------|---------------|----------------|----------------|
| COMBINE | CORN HEAD | 0.20 HR | | \$1.71 | \$6.68 | \$0.93 | \$21.77 | \$31.09 |
| GRAIN CART | 93 HP | 0.20 HR | | \$1.71 | \$4.26 | \$0.19 | \$1.30 | \$7.46 |
| HAUL | SEMI | 0.20 HR | | \$1.71 | \$4.20 | \$0.56 | \$6.05 | \$12.52 |
| SUBTOTAL | | 0.60 HR | \$0.00 | \$5.13 | \$15.14 | \$1.68 | \$29.11 | \$51.07 |

| OVERHEAD EXPENSES | | | | | | | | |
|----------------------------|--|----------------|----------------|----------------|--|--|---------------|-----------------|
| DOWNTIME | | 0.30 HR | | \$2.52 | | | | \$2.52 |
| EMPLOYEE BENEFITS | | | | \$4.24 | | | | \$4.24 |
| INSURANCE | | | \$0.47 | | | | | \$0.47 |
| LAND TAXES | | | | | | | \$0.21 | \$0.21 |
| SUPERVISION AND MANAGEMENT | | | | \$64.84 | | | | \$64.84 |
| OTHER EXPENSES | | | \$39.63 | | | | | \$39.63 |
| SUBTOTAL | | 0.30 HR | \$40.10 | \$71.60 | | | \$0.21 | \$111.91 |

| | | | | | | | | |
|----------------------------------|--|----------------|-----------------|----------------|-----------------|---------------|----------------|-----------------|
| TOTAL OPERATING EXPENSES | | 3.25 HR | \$387.03 | \$95.14 | \$136.89 | \$9.06 | \$62.09 | \$690.48 |
| NET OPERATING PROFIT | | | | | | | | \$189.52 |
| INTEREST ON OPERATING CAPITAL | | (\$216.93 @ | 5.50% |) | | | | \$11.93 |
| INTEREST ON EQUIPMENT INVESTMENT | | | | | | | | \$22.59 |
| RETURN TO LAND AND RISK | | | | | | | | \$155.00 |

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

BUDGET SUMMARY

| | | | |
|--------------------------------|----------|---|--|
| GROSS RETURN | | \$880.00 | |
| VARIABLE OPERATING EXPENSES | \$532.97 | | |
| RETURN OVER VARIABLE EXPENSES | \$347.03 | (GROSS MARGIN) | |
| FIXED EXPENSES | \$62.09 | | |
| NET FARM INCOME | \$284.94 | (RETURN TO CAPITAL, LABOR, LAND & RISK) | |
| LABOR AND MANAGEMENT COST | \$95.14 | | |
| NET OPERATING PROFIT | \$189.80 | (RETURN TO CAPITAL, LAND & RISK) | |
| CAPITAL COSTS | \$34.52 | | |
| RETURN TO LAND AND RISK | | \$155.28 | |

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 2014
 Planting dates: May 15 - June 15
 Harvesting dates: October 15 - November 15

| ITEM | PRICE | YIELD | BASE | | | | | | TOTAL |
|-----------------------------------|-------------|---------------------|------------------|-----------------|----------------|----------------|----------------|----------------|------------------|
| GROSS RETURNS | | | | | | | | | |
| GRAIN SORGHUM | \$7.06 | 45.00 CWT | | | | | | | \$317.89 |
| 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 |
| TOTAL | | | | | | | | | \$322.89 |
| PURCHASED INPUTS | | | | | | | | | |
| PURCHASED INPUTS | PRICE | QUANTITY | PURCHASED INPUTS | | | | FIXED COST | TOTAL | |
| SEED | \$1.31 | 5 LBS | \$6.55 | | | | | | \$6.55 |
| NITROGEN (N) | \$0.50 | 150 LBS | \$75.00 | | | | | | \$75.00 |
| 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 |
| SUBTOTAL | | | \$129.71 | | | | \$5.00 | | \$134.90 |
| PREHARVEST OPERATIONS | | | | | | | | | |
| | POWER UNIT | ACCOMPLISHMENT RATE | PURCHASED INPUTS | LABOR | FUEL & LUBE | REPAIRS | FIXED COST | TOTAL | |
| DISC | 185 HP | 0.07 HR | | \$0.60 | \$2.90 | \$1.26 | \$1.86 | | \$6.62 |
| CHISEL | 185 HP | 0.09 HR | | \$0.77 | \$3.73 | \$0.69 | \$1.84 | | \$7.04 |
| DISC & SPRAY | 185 HP | 0.10 HR | | \$0.86 | \$4.14 | \$1.88 | \$3.13 | | \$10.00 |
| PLANTER | 126 HP | 0.12 HR | | \$1.03 | \$3.96 | \$0.79 | \$3.99 | | \$9.77 |
| ROLLING CULT. | 126 HP | 0.10 HR | | \$0.86 | \$3.30 | \$0.89 | \$2.10 | | \$7.14 |
| SIDEDRESS | 185 HP | 0.17 HR | | \$1.45 | \$7.04 | \$0.96 | \$3.13 | | \$12.59 |
| IRRIGATE (6X) | | 0.60 HR | | \$4.50 | \$32.95 | \$0.00 | \$3.40 | | \$40.85 |
| SUBTOTAL | | 1.25 HR | | \$10.06 | \$58.03 | \$6.48 | \$19.44 | | \$94.01 |
| HARVEST OPERATIONS | | | | | | | | | |
| COMBINE | GRAIN TABLE | 0.14 HR | | \$1.20 | \$4.68 | \$0.55 | \$8.93 | | \$15.36 |
| GRAIN TABLE | 93 HP | 0.14 HR | | \$1.20 | \$2.98 | \$0.13 | \$0.91 | | \$5.22 |
| HAUL | 2 TON | 0.14 HR | | \$1.20 | \$2.35 | \$0.06 | \$7.76 | | \$11.36 |
| SUBTOTAL | | 0.42 HR | | \$0.00 | \$3.59 | \$10.01 | \$0.74 | \$17.60 | \$31.94 |
| OVERHEAD EXPENSES | | | | | | | | | |
| DOWNTIME | | 0.23 HR | | \$1.92 | | | | | \$1.92 |
| EMPLOYEE BENEFITS | | | | \$2.46 | | | | | \$2.46 |
| INSURANCE | | | \$0.27 | | | | | | \$0.27 |
| LAND TAXES | | | | | | | \$0.21 | | \$0.21 |
| SUPERVISION AND MANAGEMENT | | | | \$23.86 | | | | | \$23.86 |
| OTHER EXPENSES | | | \$39.63 | | | | | | \$39.63 |
| SUBTOTAL | | 0.23 HR | | \$39.90 | \$28.24 | | \$0.21 | | \$68.35 |
| TOTAL OPERATING EXPENSES | | 1.90 HR | | \$169.61 | \$41.89 | \$68.04 | \$7.22 | \$42.25 | \$329.20 |
| NET OPERATING PROFIT | | | | | | | | | (\$6.31) |
| INTEREST ON OPERATING CAPITAL | | (| \$81.97 | @ | 5.50% |) | | | \$4.51 |
| INTEREST ON EQUIPMENT INVESTMENT | | | | | | | | | \$14.07 |
| RETURN TO LAND AND RISK | | | | | | | | | (\$24.89) |

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

BUDGET SUMMARY

| | | | |
|-------------------------------|----------|-----------|---|
| GROSS RETURN | | \$322.89 | |
| VARIABLE OPERATING EXPENSES | \$244.88 | | |
| RETURN OVER VARIABLE EXPENSES | | \$78.02 | (GROSS MARGIN) |
| FIXED EXPENSES | \$42.25 | | |
| NET FARM INCOME | | \$35.77 | (RETURN TO CAPITAL, LABOR, LAND & RISK) |
| LABOR AND MANAGEMENT COST | \$41.89 | | |
| NET OPERATING PROFIT | | (\$6.12) | (RETURN TO CAPITAL, LAND & RISK) |
| CAPITAL COSTS | \$18.58 | | |
| RETURN TO LAND AND RISK | | (\$24.70) | |

TABLE 9. Haygrazer/millet, dryland, budgeted per acre costs and returns for a 1,280 acre farm with above average management, Union County,
 Projected 2014
 Planting dates: June 1 - June 15
 Harvesting dates: September 1 - September 15

| ITEM | PRICE | YIELD | | | | | | TOTAL |
|----------------------------------|------------|---------------------|------------------|----------------|----------------|---------------|-----------------|----------------|
| GROSS RETURNS | | | | | | | | |
| HAY | \$210.00 | 1.50 TONS (STACKED) | | | | | | \$315.00 |
| TOTAL | | | | | | | \$315.00 | |
| PURCHASED INPUTS | | | | | | | | |
| | PRICE | QUANTITY | PURCHASED INPUTS | | | | FIXED COST | TOTAL |
| SEED | \$0.86 | 6.00 LBS | \$5.16 | | | | | \$5.16 |
| HERBICIDE | \$14.79 | 1.00 ACRE | \$14.79 | | | | | \$14.79 |
| BALING TWINE | \$0.72 | 0.13 ROLL | \$0.10 | | | | | \$0.10 |
| SUBTOTAL | | | \$20.05 | | | | | \$20.05 |
| PREHARVEST OPERATIONS | | | | | | | | |
| | POWER UNIT | ACCOMPLISHMENT RATE | PURCHASED INPUTS | LABOR | FUEL & LUBE | REPAIRS | FIXED COST | TOTAL |
| CHISEL | 185 HP | 0.09 HR | | \$0.77 | \$3.73 | \$0.69 | \$1.84 | \$7.04 |
| DISC | 185 HP | 0.07 HR | | \$0.60 | \$2.90 | \$1.26 | \$1.86 | \$6.62 |
| DRILL | 126 HP | 0.12 HR | | \$1.03 | \$3.96 | \$0.68 | \$2.37 | \$8.04 |
| SUBTOTAL | | 0.28 HR | | \$2.39 | \$10.59 | \$2.64 | \$6.07 | \$21.70 |
| HARVEST OPERATIONS | | | | | | | | |
| SWATHER | | 0.16 HR | | \$1.37 | \$2.40 | \$0.09 | \$8.22 | \$12.08 |
| BALER | 126 HP | 0.17 HR | | \$1.45 | \$5.61 | \$0.71 | \$5.14 | \$12.92 |
| SUBTOTAL | | 0.33 HR | \$0.00 | \$2.82 | \$8.01 | \$0.81 | \$13.37 | \$25.00 |
| OVERHEAD EXPENSES | | | | | | | | |
| DOWNTIME | | 0.15 HR | | \$1.30 | | | | \$1.30 |
| EMPLOYEE BENEFITS | | | | \$0.94 | | | | \$0.94 |
| INSURANCE | | | \$0.10 | | | | | \$0.10 |
| LAND TAXES | | | | | | | \$0.21 | \$0.21 |
| SUPERVISION AND MANAGEMENT | | | | \$22.36 | | | | \$22.36 |
| OTHER EXPENSES | | | \$7.93 | | | | | \$7.93 |
| SUBTOTAL | | 0.15 HR | \$8.03 | \$24.60 | | | \$0.21 | \$32.84 |
| TOTAL OPERATING EXPENSES | | 0.43 HR | \$28.08 | \$29.81 | \$18.59 | \$3.45 | \$19.65 | \$99.58 |
| NET OPERATING PROFIT | | | | | | | \$215.42 | |
| INTEREST ON OPERATING CAPITAL | | (| \$14.07 | @ | 5.50% |) | | \$0.77 |
| INTEREST ON EQUIPMENT INVESTMENT | | | | | | | | \$9.65 |
| RETURN TO LAND AND RISK | | | | | | | \$205.00 | |

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

BUDGET SUMMARY

| | | | |
|-------------------------------|----------|----------|---|
| GROSS RETURN | | \$315.00 | |
| VARIABLE OPERATING EXPENSES | \$50.12 | | |
| RETURN OVER VARIABLE EXPENSES | \$264.88 | | (GROSS MARGIN) |
| FIXED EXPENSES | \$19.65 | | |
| NET FARM INCOME | \$245.23 | | (RETURN TO CAPITAL, LABOR, LAND & RISK) |
| LABOR AND MANAGEMENT COST | \$29.81 | | |
| NET OPERATING PROFIT | \$215.42 | | (RETURN TO CAPITAL, LAND & RISK) |
| CAPITAL COSTS | \$10.42 | | |
| RETURN TO LAND AND RISK | | \$205.00 | |

TABLE 10. Summary of per acre costs and returns for a 1,280 acre farm with above average management, Union County, Projected 2014

| | 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 | \$7.00 | \$4.30 | \$7.06 | \$210.00 |
| GOVERNMENT PAYMENTS | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| SECOND INCOME | \$37.50 | \$20.00 | \$5.00 | \$0.00 |
| GROSS RETURN | \$597.50 | \$880.00 | \$322.89 | \$315.00 |
| CASH OPERATING EXPENSES | | | | |
| SEED | \$45.00 | \$84.83 | \$6.55 | \$5.16 |
| FERTILIZER | \$21.60 | \$172.50 | \$95.00 | |
| CHEMICALS | | \$89.60 | \$28.16 | \$14.79 |
| CROP INSURANCE | \$0.08 | \$0.28 | \$0.19 | |
| OTHER PURCHASED INPUTS | | | | \$0.10 |
| CANAL WATER | | | | |
| FUEL, OIL & LUBRICANTS-EQUIPMENT | \$24.09 | \$43.52 | \$35.09 | \$18.59 |
| FUEL-IRRIGATION | \$30.21 | \$93.37 | \$32.95 | |
| REPAIRS | \$4.98 | \$9.06 | \$7.22 | \$3.45 |
| CUSTOM CHARGES | | | | \$0.00 |
| LAND TAXES | \$0.21 | \$0.21 | \$0.21 | \$0.21 |
| OTHER EXPENSES | \$39.87 | \$40.10 | \$39.90 | \$8.03 |
| TOTAL CASH EXPENSES | \$166.04 | \$533.46 | \$245.27 | \$50.33 |
| RETURN OVER CASH EXPENSES | \$431.46 | \$346.54 | \$77.62 | \$264.67 |
| FIXED EXPENSES | \$30.12 | \$61.88 | \$42.04 | \$19.44 |
| TOTAL EXPENSES | \$196.15 | \$595.34 | \$287.31 | \$69.77 |
| NET FARM INCOME | \$401.35 | \$284.66 | \$35.58 | \$245.23 |
| LABOR AND MANAGEMENT COSTS | \$58.52 | \$95.14 | \$41.89 | \$29.81 |
| NET OPERATING PROFIT | \$342.83 | \$189.52 | (\$6.31) | \$215.42 |
| CAPITAL COSTS | | | | |
| INTEREST ON OPERATING CAPITAL | \$2.54 | \$11.93 | \$4.51 | \$0.77 |
| INTEREST ON EQUIPMENT INVESTMENT | \$9.77 | \$22.59 | \$14.07 | \$9.65 |
| TOTAL CAPITAL COSTS | \$12.31 | \$34.52 | \$18.58 | \$10.42 |
| RETURN TO LAND AND RISK | \$330.51 | \$155.00 | (\$24.89) | \$205.00 |

Flex Computation 370.40 239.47 31.22

TABLE 11. Whole farm summary, Union County,
Projected 2014

| | | |
|----------------------------------|-----------|------------------|
| GROSS RETURNS | | |
| WHEAT | 604 ACRES | |
| CROP | | \$338,100 |
| GRAZING | | \$22,641 |
| DIRECT PAYMENT | | \$0 |
| COUNTER CYCLICAL PAYMENT | | \$0 |
| CORN FOR GRAIN | 179 ACRES | |
| CROP | | \$153,510 |
| GRAZING | | \$3,570 |
| DIRECT PAYMENT | | \$0 |
| COUNTER CYCLICAL PAYMENT | | \$0 |
| GRAIN SORGHUM | 268 ACRES | |
| CROP | | \$85,116 |
| GRAZING | | \$1,339 |
| DIRECT PAYMENT | | \$0 |
| COUNTER CYCLICAL PAYMENT | | \$0 |
| HAYGRAZER/MILLET | 190 ACRES | |
| CROP | | \$59,850 |
| GROSS RETURN | | <u>\$664,125</u> |
| CASH OPERATING EXPENSES | | |
| SEED | | \$45,044 |
| FERTILIZER | | \$69,269 |
| CHEMICALS | | \$26,344 |
| CROP INSURANCE | | \$150 |
| OTHER PURCHASED INPUTS | | \$18 |
| CANAL WATER | | \$0 |
| FUEL, OIL & LUBRICANTS-EQUIPMENT | | \$35,241 |
| FUEL-IRRIGATION | | \$43,726 |
| REPAIRS | | \$7,212 |
| CUSTOM CHARGES | | \$0 |
| LAND TAXES | | \$259 |
| OTHER EXPENSES | | \$43,437 |
| TOTAL CASH EXPENSES | | <u>\$270,700</u> |
| RETURN OVER CASH EXPENSES | | \$393,425 |
| FIXED EXPENSES | | \$44,180 |
| TOTAL EXPENSES | | \$314,880 |
| NET FARM INCOME | | \$349,245 |
| LABOR AND MANAGEMENT COSTS | | \$69,195 |
| NET OPERATING PROFIT | | \$280,050 |
| CAPITAL COSTS | | |
| INTEREST ON OPERATING CAPITAL | | \$5,018 |
| INTEREST ON EQUIPMENT INVESTMENT | | \$15,531 |
| TOTAL CAPITAL COSTS | | <u>\$20,549</u> |
| RETURN TO LAND AND RISK | | <u>\$259,501</u> |

| LAND VALUE | RETURN TO RISK* | RETURN ON INVESTMENT** |
|---------------|-----------------|------------------------|
| \$500 /ACRE | \$240,301 | 31.06% |
| \$750 /ACRE | \$230,701 | 22.92% |
| \$1,000 /ACRE | \$221,101 | 18.16% |
| \$1,250 /ACRE | \$211,501 | 15.04% |
| \$1,500 /ACRE | \$201,901 | 12.84% |

* 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)