

MICROCOMPUTER CROP COST AND RETURN GENERATOR

BUDGET AREA..... UNION COUNTY Projected 2010.
FARM SIZE..... 1,280.00 ACRES
IRRIGATION TYPE..... SPRINKLER
NUMBER OF CROPS..... 4

VERSION 1.0

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TABLE 1. Acreage Summary, Union County, Projected 2010.

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		
TOTAL	1,280.00		25,650
ACRE FEET PER ACRE OF WATER RIGHTS			1.67

* DOUBLE-CROPPED

TABLE 2. Basic cost information for Union County, Projected 2010.

Item			
Labor Wage Rate:			
Equipment operators		\$/hour	\$8.55
General & Irrigators		\$/hour	\$7.25
Purchased Inputs:			
Fertilizer:			
Nitrogen (N)		\$/pound	\$0.58
Phosphate (P205)		\$/pound	\$0.51
Potash (K2O)		\$/pound	\$0.33
Seed:			
Alfalfa		\$/pound	\$3.75
Wheat		\$/pound	\$0.26
Corn for Grain		\$/bag	\$225.00
Grain Sorghum		\$/pound	\$2.10
Haygrazer/Millet		\$/pound	\$0.53
Oats		\$/pound	\$0.32
Natural gas (service charge)		\$/MCF	\$5.89
Diesel fuel		\$/gallon	\$10.00
Gasoline		\$/gallon	\$2.80
Electricity		cents/KwHr	\$2.50
LP Gas		\$/gallon	7.10
			\$2.40
Baling Twine		\$/pound	\$0.31
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	7.50%
Land Interest Rate		percent	7.00%
Equipment Interest Rate		percent	7.50%
Real Interest Rate		percent	3.00%
Land Taxes		\$27.00 /acre	\$0.24
Personal Property Tax Rate	- NR	\$/ \$1,000	(Assessed Value) \$26.91
	- R		\$24.79
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 2010.

Item			
Electricity (Domestic & Shop)		\$472.00 per month	\$5,664
Telephone		\$230.10 per month	\$2,761
Accounting & Legal			\$4,289
Misc. Supplies & Hand Tools			\$4,354
Pickup and Auto			
miles	36,580	@ \$0.415 per mile	\$15,181
Insurance			
- general liability (non-employee)			\$2,773
- fire/theft			\$2,224
Property Taxes			
- non-planted land			\$0
- other than land & machinery			\$6,010
Building repairs and maintenance			\$1,788
Dues, fees, publications			\$413
Farmstead Equipment			\$342
Total			\$45,800
Total per planted acre			\$42.10
Total per dryland acre			\$8.42

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 2010.

Planting dates: August 1 - September 1									
ITEM	PRICE	QUANTITY	PURCHASED INPUTS						TOTAL
PURCHASED INPUTS									
SEED	\$3.75	20 LBS		\$75.00					\$75.00
OAT SEED	\$0.32	30 LBS		\$9.60					\$9.60
PUMP WATER*		3 AC. IN.							
SUBTOTAL				\$84.60					\$84.60
PREHARVEST OPERATIONS									
	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL	
DISC	185 HP	0.07 HR		\$0.60	\$2.03	\$1.27	\$2.83	\$6.73	
CULTI-PACKER	93 HP	0.17 HR		\$1.45	\$2.59	\$0.36	\$4.47	\$8.87	
DRILL	93 HP	0.12 HR		\$1.03	\$1.83	\$0.46	\$2.46	\$5.77	
IRRIGATE (4X)		0.40 HR		\$2.90	\$12.10	\$0.00	\$0.44	\$15.44	
SUBTOTAL		0.76 HR		\$5.98	\$18.55	\$2.09	\$10.20	\$36.81	
OVERHEAD EXPENSES									
DOWNTIME		0.09 HR		\$0.77				\$0.77	
EMPLOYEE BENEFITS				\$1.08				\$1.08	
INSURANCE			\$0.12					\$0.12	
SUPERVISION AND MANAGEMENT				\$9.08				\$9.08	
SUBTOTAL		0.09	\$0.12	\$10.92				\$11.04	
TOTAL OPERATING EXPENSES		0.85 HR	\$84.72	\$16.90	\$18.55	\$2.09	\$10.20	\$132.46	

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 2010.

Harvesting dates: June 1 - October 10									
ITEM	PRICE	YIELD							TOTAL
GROSS RETURNS									
ALFALFA HAY	\$140.00	6.50 TONS (STACKED)							\$910.00
TOTAL								\$910.00	
PURCHASED INPUTS									
PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS				FIXED COST	TOTAL	
NITROGEN (N)	\$0.58	30 LBS	\$17.40					\$17.40	
PHOSPHATE (P2O5)	\$0.51	100 LBS	\$51.00					\$51.00	
POTASH (K2O)	\$0.33	50 LBS	\$16.50					\$16.50	
TRACE ELEMENTS	\$0.15	12 LBS	\$1.80					\$1.80	
ESTABLISHMENT:Principal		7 YEARS					\$18.92	\$18.92	
: Interest							\$5.62	\$5.62	
BALING TWINE	\$0.31	1 ROLL	\$0.18					\$0.18	
PUMP WATER*		40 AC. IN.							
SUBTOTAL			\$86.88				\$24.54	\$111.42	
PREHARVEST OPERATIONS									
POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL		
	IRRIGATE (11X)	1.10 HR		\$7.98	\$161.38	\$0.00	\$5.86	\$175.21	
SUBTOTAL		1.10 HR		\$7.98	\$161.38	\$0.00	\$5.86	\$175.21	
HARVEST OPERATIONS									
	SWATHER (4X)	13 FT SP	0.64 HR	\$5.47	\$6.71	\$0.37	\$3.74	\$16.29	
	BALER (4X)	126 HP	0.68 HR	\$5.81	\$15.71	\$2.85	\$6.08	\$30.45	
SUBTOTAL		1.32 HR		\$11.29	\$22.42	\$3.22	\$9.82	\$46.74	
OVERHEAD EXPENSES									
	DOWNTIME		0.33 HR	\$2.82				\$2.82	
	EMPLOYEE BENEFITS			\$3.47				\$3.47	
	INSURANCE			\$0.39				\$0.39	
	LAND TAXES							\$0.24	
	SUPERVISION AND MANAGEMENT			\$65.46				\$65.46	
	OTHER EXPENSES			\$42.10				\$42.10	
SUBTOTAL		0.33 HR		\$42.48	\$71.75		\$0.24	\$114.47	
TOTAL OPERATING EXPENSES		2.75 HR		\$129.36	\$91.01	\$183.79	\$3.22	\$447.84	
NET OPERATING PROFIT								\$462.16	
INTEREST ON OPERATING CAPITAL		(\$85.92	@	7.50%)		\$6.44	
INTEREST ON EQUIPMENT INVESTMENT								\$11.21	
RETURN TO LAND AND RISK								\$444.50	

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

BUDGET SUMMARY

GROSS RETURN		\$910.00	
VARIABLE OPERATING EXPENSES	\$316.37		
RETURN OVER VARIABLE EXPENSES		\$593.63	(GROSS MARGIN)
FIXED EXPENSES	\$40.46		
NET FARM INCOME		\$553.17	(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$91.01		
NET OPERATING PROFIT		\$462.16	(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$17.66		
RETURN TO LAND AND RISK		\$444.50	

TABLE 8. Wheat, sprinkler-irrigated, budgeted per acre costs and returns for a 1,280 acre farm with above average management, Union County, Projected 2010.
Planting dates: August 15 - November 15
Harvesting dates: July 1 - July 15

ITEM	PRICE	YIELD	BASE						TOTAL
GROSS RETURNS									
WHEAT	\$6.00	80.00 BUSHELS							\$480.00
DIRECT PAYMENT	\$0.00	80.00 BUSHELS	0.85						\$0.00
COUNTER CYCLICAL PAYMENT	\$0.00								\$0.00
GRAZING	\$40.00	1.00 ACRE							\$40.00
TOTAL									\$520.00
PURCHASED INPUTS									
	PRICE	QUANTITY	PURCHASED INPUTS				FIXED COST		TOTAL
SEED	\$0.26	100 LBS	\$26.00						\$26.00
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
SUBTOTAL			\$47.60				\$5.00		\$52.72
PREHARVEST OPERATIONS									
	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST		TOTAL
DISC	185 HP	0.07 HR		\$0.60	\$2.03	\$1.27	\$2.83		\$6.73
CHISEL	185 HP	0.09 HR		\$0.77	\$2.61	\$0.70	\$2.84		\$6.92
DISC	185 HP	0.07 HR		\$0.60	\$2.03	\$1.27	\$2.83		\$6.73
DRILL	126 HP	0.12 HR		\$1.03	\$2.77	\$0.68	\$1.95		\$6.44
IRRIGATE (7X)		0.70 HR		\$5.08	\$44.38	\$0.00	\$2.03		\$51.48
SUBTOTAL		1.05 HR		\$8.07	\$53.82	\$3.93	\$12.49		\$78.31
HARVEST OPERATIONS									
COMBINE	GRAIN TABLE	0.14 HR		\$1.20	\$3.27	\$0.52	\$13.94		\$18.94
GRAIN CART	93 HP	0.14 HR		\$1.20	\$2.13	\$0.59	\$2.76		\$6.68
TRUCK	SEMI	0.14 HR		\$1.20	\$2.06	\$0.39	\$6.07		\$9.72
SUBTOTAL		0.42 HR	\$0.00	\$3.59	\$7.46	\$1.51	\$22.77		\$35.34
OVERHEAD EXPENSES									
DOWNTIME		0.19 HR		\$1.65					\$1.65
EMPLOYEE BENEFITS				\$2.10					\$2.10
INSURANCE			\$0.23						\$0.23
LAND TAXES							\$0.24		\$0.24
SUPERVISION AND MANAGEMENT				\$37.49					\$37.49
OTHER EXPENSES			\$42.10						\$42.10
SUBTOTAL		0.19 HR	\$42.33	\$41.23			\$0.24		\$83.80
TOTAL OPERATING EXPENSES		1.66 HR	\$89.93	\$52.89	\$61.28	\$5.45	\$40.50		\$250.17
NET OPERATING PROFIT									\$269.83
INTEREST ON OPERATING CAPITAL		(\$39.05 @	7.50%)					\$2.93
INTEREST ON EQUIPMENT INVESTMENT									\$18.21
RETURN TO LAND AND RISK									\$248.69

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

BUDGET SUMMARY

GROSS RETURN		\$520.00	
VARIABLE OPERATING EXPENSES	\$156.66		
RETURN OVER VARIABLE EXPENSES		\$363.34	(GROSS MARGIN)
FIXED EXPENSES	\$40.50		
NET FARM INCOME		\$322.84	(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$52.89		
NET OPERATING PROFIT		\$269.95	(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$21.14		
RETURN TO LAND AND RISK		\$248.81	

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 2010.
 Planting dates: April 15 - May 15
 Harvesting dates: October 1 - November 15

ITEM	PRICE	YIELD	BASE	TOTAL
GROSS RETURNS				
CORN FOR GRAIN	\$4.10	200.00 BUSHEL		\$820.00
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				\$840.00

PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS	FIXED COST	TOTAL
SEED	\$2.81	26.00 000	\$73.13		\$73.13
NITROGEN (N)	\$0.58	220.00 LBS	\$127.60		\$127.60
PHOSPHATE (P2O5)	\$0.51	70.00 LBS	\$35.70		\$35.70
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
SUBTOTAL			\$367.23	\$5.00	\$372.62

PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
DISC	185 HP	0.07 HR		\$0.60	\$2.03	\$1.27	\$2.83	\$6.73
CHISEL	185 HP	0.09 HR		\$0.77	\$2.61	\$0.70	\$2.84	\$6.92
DISC & SPRAY	185 HP	0.10 HR		\$0.86	\$2.90	\$1.89	\$4.88	\$10.53
PLANTER	126 HP	0.12 HR		\$1.03	\$2.77	\$0.79	\$5.33	\$9.92
ROLLING CULT (2X)	126 HP	0.20 HR		\$1.71	\$4.62	\$1.79	\$4.35	\$12.46
SIDEDRESS	185 HP	0.17 HR		\$1.45	\$4.93	\$0.98	\$4.85	\$12.22
IRRIGATE (16X)		1.60 HR		\$11.60	\$137.17	\$0.00	\$6.27	\$155.04
SUBTOTAL		2.35 HR		\$18.01	\$157.03	\$7.43	\$31.35	\$213.83

HARVEST OPERATIONS								
COMBINE	CORN HEAD	0.20 HR		\$1.71	\$4.68	\$0.93	\$32.47	\$39.79
GRAIN CART	93 HP	0.20 HR		\$1.71	\$3.04	\$0.85	\$3.94	\$9.54
TRUCK	SEMI	0.20 HR		\$1.71	\$2.94	\$0.56	\$8.68	\$13.89
SUBTOTAL		0.60 HR	\$0.00	\$5.13	\$10.66	\$2.34	\$45.09	\$63.22

OVERHEAD EXPENSES								
DOWNTIME		0.30 HR		\$2.52				\$2.52
EMPLOYEE BENEFITS				\$4.17				\$4.17
INSURANCE			\$0.46					\$0.46
LAND TAXES						\$0.24		\$0.24
SUPERVISION AND MANAGEMENT				\$62.04				\$62.04
OTHER EXPENSES			\$42.10					\$42.10
SUBTOTAL		0.30 HR	\$42.56	\$68.73		\$0.24		\$111.53

TOTAL OPERATING EXPENSES 3.25 HR \$409.78 \$91.87 \$167.70 \$9.77 \$81.69 \$761.20

NET OPERATING PROFIT \$78.80

INTEREST ON OPERATING CAPITAL (\$226.01 @ 7.50%) \$16.95
 INTEREST ON EQUIPMENT INVESTMENT \$39.88

RETURN TO LAND AND RISK \$21.97

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

BUDGET SUMMARY

GROSS RETURN		\$840.00	
VARIABLE OPERATING EXPENSES	\$587.25		
RETURN OVER VARIABLE EXPENSES	\$252.75	(GROSS MARGIN)	
FIXED EXPENSES	\$81.69		
NET FARM INCOME	\$171.06	(RETURN TO CAPITAL, LABOR, LAND & RISK)	
LABOR AND MANAGEMENT COST	\$91.87		
NET OPERATING PROFIT	\$79.19	(RETURN TO CAPITAL, LAND & RISK)	
CAPITAL COSTS	\$56.83		
RETURN TO LAND AND RISK	\$22.36		

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 2010.
 Planting dates: May 15 - June 15
 Harvesting dates: October 15 - November 15

ITEM	PRICE	YIELD	BASE						TOTAL
GROSS RETURNS									
GRAIN SORGHUM	\$7.70	45.00 CWT							\$346.50
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									\$351.50
PURCHASED INPUTS									
	PRICE	QUANTITY	PURCHASED INPUTS				FIXED COST	TOTAL	
SEED	\$2.10	5 LBS	\$10.50					\$10.50	
NITROGEN (N)	\$0.58	150 LBS	\$87.00					\$87.00	
PHOSPHATE (P205)	\$0.51	50 LBS	\$25.50					\$25.50	
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	
SUBTOTAL			\$145.60				\$5.00	\$151.00	
PREHARVEST OPERATIONS									
	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL	
DISC	185 HP	0.07 HR		\$0.60	\$2.03	\$1.27	\$2.83	\$6.73	
CHISEL	185 HP	0.09 HR		\$0.77	\$2.61	\$0.70	\$2.84	\$6.92	
DISC & SPRAY	185 HP	0.10 HR		\$0.86	\$2.90	\$1.89	\$4.88	\$10.53	
PLANTER	126 HP	0.12 HR		\$1.03	\$2.77	\$0.79	\$5.33	\$9.92	
ROLLING CULT.	126 HP	0.10 HR		\$0.86	\$2.31	\$0.89	\$2.17	\$6.23	
SIDEDRESS ANHYDROUS	185 HP	0.17 HR		\$1.45	\$4.93	\$0.98	\$4.85	\$12.22	
IRRIGATE (6X)		0.60 HR		\$4.35	\$48.41	\$0.00	\$2.21	\$54.98	
SUBTOTAL		1.25 HR		\$9.91	\$65.97	\$6.54	\$25.12	\$107.53	
HARVEST OPERATIONS									
COMBINE	GRAIN TABLE	0.14 HR		\$1.20	\$3.27	\$0.52	\$13.94	\$18.94	
GRAIN CART	93 HP	0.14 HR		\$1.20	\$2.13	\$0.59	\$2.76	\$6.68	
TRUCK	2 T 18 FT	0.14 HR		\$1.20	\$1.65	\$0.06	\$16.39	\$19.29	
SUBTOTAL		0.42 HR	\$0.00	\$3.59	\$7.05	\$1.17	\$33.09	\$44.91	
OVERHEAD EXPENSES									
DOWNTIME		0.23 HR		\$1.92				\$1.92	
EMPLOYEE BENEFITS				\$2.43				\$2.43	
INSURANCE			\$0.27					\$0.27	
LAND TAXES							\$0.24	\$0.24	
SUPERVISION AND MANAGEMENT				\$25.87				\$25.87	
OTHER EXPENSES			\$42.10					\$42.10	
SUBTOTAL		0.23 HR	\$42.37	\$30.22			\$0.24	\$72.83	
TOTAL OPERATING EXPENSES		1.90 HR	\$187.97	\$43.72	\$73.02	\$7.71	\$63.45	\$376.26	
NET OPERATING PROFIT								(\$24.76)	
INTEREST ON OPERATING CAPITAL		(\$91.81 @ 7.50%)						\$6.89	
INTEREST ON EQUIPMENT INVESTMENT								\$28.24	
RETURN TO LAND AND RISK								(\$59.89)	

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

BUDGET SUMMARY

GROSS RETURN		\$351.50	
VARIABLE OPERATING EXPENSES	\$268.70		
RETURN OVER VARIABLE EXPENSES	\$82.80	(GROSS MARGIN)	
FIXED EXPENSES	\$63.45		
NET FARM INCOME	\$19.35	(RETURN TO CAPITAL, LABOR, LAND & RISK)	
LABOR AND MANAGEMENT COST	\$43.72		
NET OPERATING PROFIT	(\$24.37)	(RETURN TO CAPITAL, LAND & RISK)	
CAPITAL COSTS	\$35.12		
RETURN TO LAND AND RISK		(\$59.49)	

TABLE 11. Haygrazer/millet, dryland, budgeted per acre costs and returns for a 1,280 acre farm with above average management, Union County, Projected 2010.
 Planting dates: June 1 - June 15
 Harvesting dates: September 1 - September 15

ITEM	PRICE	YIELD						TOTAL
GROSS RETURNS								
HAY	\$115.00	1.50 TONS						\$172.50
TOTAL							\$172.50	
PURCHASED INPUTS								
PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS				FIXED COST	TOTAL
SEED	\$0.53	6 LBS	\$3.18					\$3.18
HERBICIDE	\$13.70	1 ACRE	\$13.70					\$13.70
BALING TWINE	\$0.31	0 ROLL	\$0.04					\$0.04
SUBTOTAL			\$16.92					\$16.92
PREHARVEST OPERATIONS								
PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
CHISEL	185 HP	0.09 HR		\$0.77	\$2.61	\$0.70	\$2.84	\$6.92
DISC	185 HP	0.07 HR		\$0.60	\$2.03	\$1.27	\$2.83	\$6.73
DRILL	126 HP	0.12 HR		\$1.03	\$2.77	\$0.68	\$1.95	\$6.44
SUBTOTAL		0.28 HR		\$2.39	\$7.41	\$2.66	\$7.62	\$20.09
HARVEST OPERATIONS								
SWATHER	14 FT SP	0.16 HR		\$1.37	\$1.68	\$0.09	\$0.93	\$4.07
BALER	126 HP	0.17 HR		\$1.45	\$3.93	\$0.71	\$1.52	\$7.61
SUBTOTAL		0.33 HR	\$0.00	\$2.82	\$5.60	\$0.81	\$2.46	\$11.69
OVERHEAD EXPENSES								
DOWNTIME		0.15 HR		\$1.30				\$1.30
EMPLOYEE BENEFITS				\$0.94				\$0.94
INSURANCE			\$0.10					\$0.10
LAND TAXES						\$0.24		\$0.24
SUPERVISION AND MANAGEMENT				\$12.38				\$12.38
OTHER EXPENSES			\$42.10					\$42.10
SUBTOTAL		0.15 HR	\$42.20	\$14.62			\$0.24	\$57.06
TOTAL OPERATING EXPENSES		0.43 HR	\$59.12	\$19.84	\$13.02	\$3.47	\$10.32	\$105.76
NET OPERATING PROFIT							\$66.74	
INTEREST ON OPERATING CAPITAL		(\$11.51	@	7.50%)	\$0.86	
INTEREST ON EQUIPMENT INVESTMENT							\$5.96	
RETURN TO LAND AND RISK							\$59.92	
BUDGET SUMMARY								
GROSS RETURN		\$172.50						
VARIABLE OPERATING EXPENSES	\$75.60							
RETURN OVER VARIABLE EXPENSES		\$96.90	(GROSS MARGIN)					
FIXED EXPENSES	\$10.32							
NET FARM INCOME		\$86.58	(RETURN TO CAPITAL, LABOR, LAND & RISK)					
LABOR AND MANAGEMENT COST	\$19.84							
NET OPERATING PROFIT		\$66.74	(RETURN TO CAPITAL, LAND & RISK)					
CAPITAL COSTS	\$6.82							
RETURN TO LAND AND RISK		\$59.92						

TABLE 12. Summary of per acre costs and returns for a 1,280 acre farm with above average management, Union County, Projected 2010.

	ALFALFA ESTABLISHMENT	ALFALFA HAY	WHEAT	CORN FOR GRAIN	GRAIN SORGHUM	HAYGRAZER & MILLET
		TONS	BU	BU	CWT	TONS
PRIMARY YIELD		6.50	80.00	200.00	45.00	1.50
PRIMARY PRICE		\$140.00	\$6.00	\$4.10	\$7.70	\$115.00
GOVERNMENT PAYMENTS		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
SECOND INCOME		\$0.00	\$40.00	\$20.00	\$5.00	\$0.00
GROSS RETURN		\$910.00	\$520.00	\$840.00	\$351.50	\$172.50
CASH OPERATING EXPENSES						
SEED	\$84.60		\$26.00	\$73.13	\$10.50	\$3.18
FERTILIZER		\$86.70	\$21.60	\$226.30	\$112.50	
CHEMICALS				\$67.80	\$22.60	\$13.70
CROP INSURANCE			\$0.12	\$0.39	\$0.39	
OTHER PURCHASED INPUTS		\$0.18				\$0.04
CANAL WATER						
FUEL, OIL & LUBRICANTS-EQUIPMENT	\$6.45	\$22.42	\$16.91	\$30.52	\$24.61	\$13.02
FUEL-IRRIGATION	\$12.10	\$161.38	\$44.38	\$137.17	\$48.41	
REPAIRS	\$2.09	\$3.22	\$5.45	\$9.77	\$7.71	\$3.47
CUSTOM CHARGES						\$0.00
LAND TAXES		\$0.24	\$0.24	\$0.24	\$0.24	\$0.24
OTHER EXPENSES	\$0.12	\$42.48	\$42.33	\$42.56	\$42.37	\$42.20
TOTAL CASH EXPENSES	\$105.36	\$316.61	\$157.02	\$587.89	\$269.34	\$75.84
RETURN OVER CASH EXPENSES	(\$105.36)	\$593.39	\$362.98	\$252.11	\$82.16	\$96.66
FIXED EXPENSES	\$10.20	\$40.22	\$40.26	\$81.44	\$63.21	\$10.08
TOTAL EXPENSES	\$115.55	\$356.83	\$197.28	\$669.33	\$332.55	\$85.92
NET FARM INCOME	(\$115.55)	\$553.17	\$322.72	\$170.67	\$18.95	\$86.58
LABOR AND MANAGEMENT COSTS	\$16.90	\$91.01	\$52.89	\$91.87	\$43.72	\$19.84
NET OPERATING PROFIT	(\$132.46)	\$462.16	\$269.83	\$78.80	(\$24.76)	\$66.74
CAPITAL COSTS						
INTEREST ON OPERATING CAPITAL		\$6.44	\$2.93	\$16.95	\$6.89	\$0.86
INTEREST ON EQUIPMENT INVESTMENT		\$11.21	\$18.21	\$39.88	\$28.24	\$5.96
TOTAL CAPITAL COSTS	\$0.00	\$17.66	\$21.14	\$56.83	\$35.12	\$6.82
RETURN TO LAND AND RISK	(\$132.46)	\$444.50	\$248.69	\$21.97	(\$59.89)	\$59.92

Flex Computation

307.16 143.29 31.56

TABLE 13. Whole farm summary, Union County,
Projected 2010.

GROSS RETURNS		
ALFALFA HAY	375 ACRES	
CROP		\$341,250
WHEAT	420.00 ACRES	
CROP		\$201,600
GRAZING		\$16,800
DIRECT PAYMENT		\$0
COUNTER CYCLICAL PAYMENT		\$0
CORN FOR GRAIN	127.50 ACRES	
CROP		\$104,550
GRAZING		\$2,550
DIRECT PAYMENT		\$0
COUNTER CYCLICAL PAYMENT		\$0
GRAIN SORGHUM	127.5 ACRES	
CROP		\$44,179
GRAZING		\$638
DIRECT PAYMENT		\$0
COUNTER CYCLICAL PAYMENT		\$0
HAYGRAZER/MILLET	190 ACRES	
CROP		\$32,775
GROSS RETURN		<u>\$744,341</u>
CASH OPERATING EXPENSES		
SEED		\$26,839
FERTILIZER		\$84,782
CHEMICALS		\$14,129
CROP INSURANCE		\$150
OTHER PURCHASED INPUTS		\$74
CANAL WATER		\$0
FUEL, OIL & LUBRICANTS-EQUIPMENT		\$25,363
FUEL-IRRIGATION		\$103,483
REPAIRS		\$6,498
CUSTOM CHARGES		\$0
LAND TAXES		\$300
OTHER EXPENSES		\$52,560
TOTAL CASH EXPENSES		<u>\$314,178</u>
RETURN OVER CASH EXPENSES		\$430,163
FIXED EXPENSES		\$45,816
TOTAL EXPENSES		\$359,994
NET FARM INCOME		\$384,347
LABOR AND MANAGEMENT COSTS		\$78,328
NET OPERATING PROFIT		\$306,020
CAPITAL COSTS		
INTEREST ON OPERATING CAPITAL		\$6,850
INTEREST ON EQUIPMENT INVESTMENT		\$21,670
TOTAL CAPITAL COSTS		<u>\$28,520</u>
RETURN TO LAND AND RISK		<u>\$277,500</u>

LAND VALUE	RETURN TO RISK*	RETURN ON INVESTMENT**
\$500 /ACRE	\$258,300	33.92%
\$750 /ACRE	\$248,700	25.04%
\$1,000 /ACRE	\$239,100	19.84%
\$1,250 /ACRE	\$229,500	16.43%
\$1,500 /ACRE	\$219,900	14.02%

* 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)