

TABLE 6. Wheat, dryland, budgeted per acre costs and returns for a 1,000 acre farm with above average management, Southern Quay County, Actual 2018
 Planting dates: August 20 - September 15
 Harvesting dates: June 15 - July 10

ITEM	PRICE	YIELD	BASE	TOTAL
GROSS RETURNS				
WHEAT	\$4.75	35.00 BUSHELS		\$166.25
DIRECT PAYMENT	\$0.00	35.00 BUSHELS	0.85	\$0.00
COUNTER CYCLICAL PAYMENT	\$0.00			\$0.00
GRAZING	\$5.00	1.00 ACRE		\$5.00
TOTAL				\$171.25

PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS	FIXED COST	TOTAL
SEED	\$0.37	25 LBS	\$9.25		\$9.25
CROP INSURANCE	\$0.08		\$0.08		\$0.08
SUBTOTAL			\$9.33		\$9.33

PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
SWEEP (2X)	185 HP	0.16 HR		\$1.37	\$5.06	\$1.76	\$3.73	\$11.92
STUBBLE MULCHER	185 HP	0.08 HR		\$0.68	\$2.53	\$1.21	\$3.26	\$7.68
RODWEED (2X)	126 HP	0.16 HR		\$1.37	\$4.03	\$0.76	\$1.73	\$7.88
DRILL	126 HP	0.12 HR		\$1.03	\$3.02	\$0.79	\$3.12	\$7.96
SUBTOTAL		0.52 HR		\$4.45	\$14.63	\$4.52	\$11.85	\$35.44

HARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
COMBINE	22 FT	0.14 HR		\$1.20	\$3.52	\$0.58	\$3.40	\$8.70
HAUL	2 TON	0.14 HR		\$1.20	\$2.71	\$0.90	\$4.72	\$9.53
SUBTOTAL		0.28 HR		\$2.39	\$6.23	\$1.48	\$8.12	\$18.23

OVERHEAD EXPENSES	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
DOWNTIME	0.20 HR		\$1.71				\$1.71
EMPLOYEE BENEFITS			\$1.23				\$1.23
INSURANCE		\$0.14					\$0.14
LAND TAXES						\$0.33	\$0.33
SUPERVISION AND MANAGEMENT			\$12.99				\$12.99
OTHER EXPENSES		\$19.21					\$19.21
SUBTOTAL	0.20 HR	\$19.35	\$15.93			\$0.33	\$35.60

TOTAL OPERATING EXPENSES 1.00 HR \$28.68 \$22.77 \$20.86 \$6.00 \$20.30 \$98.61

NET OPERATING PROFIT \$72.64

INTEREST ON OPERATING CAPITAL (\$10.10 @ 5.75%) \$0.58
 INTEREST ON EQUIPMENT INVESTMENT \$8.64

RETURN TO LAND AND RISK \$63.42

BUDGET SUMMARY

GROSS RETURN		\$171.25	
VARIABLE OPERATING EXPENSES	\$55.54		
RETURN OVER VARIABLE EXPENSES		\$115.71	(GROSS MARGIN)
FIXED EXPENSES	\$20.30		
NET FARM INCOME		\$95.41	(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$22.77		
NET OPERATING PROFIT		\$72.64	(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$9.22		
RETURN TO LAND AND RISK		\$63.42	

TABLE 7. Grain sorghum, sprinkler-irrigated, budgeted per acre costs and returns for a 1,000 acre farm with above average management, Southern Quay County, Actual 2018
 Planting dates: June 15 - July 15
 Harvesting dates: September 20 - October 30

ITEM	PRICE	YIELD	BASE	TOTAL
GROSS RETURNS				
GRAIN SORGHUM	\$6.65	50.00 CWT		\$332.50
COUNTER CYCLICAL PAYMENT	\$0.00	0.00 CWT		\$0.00
DIRECT PAYMENT	\$0.00	50.00 CWT	0.85	\$0.00
TOTAL				\$332.50

PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS	FIXED COST	TOTAL
SEED	\$2.25	5 LBS	\$11.25		\$11.25
NITROGEN (N)	\$0.42	80 LBS	\$33.60		\$33.60
PHOSPHATE (P205)	\$0.49	40 LBS	\$19.60		\$19.60
HERBICIDE	\$16.99	1 ACRE	\$16.99		\$16.99
PUMP WATER		12 AC. IN.			
CROP INSURANCE	\$0.14		\$0.14		\$0.14
SUBTOTAL			\$81.58		\$81.58

PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
SWEEP	185 HP	0.08 HR		\$0.68	\$2.53	\$0.88	\$1.87	\$5.96
DISC (2X)	185 HP	0.22 HR		\$1.88	\$6.95	\$3.28	\$7.04	\$19.15
SPRAYER	126 HP	0.06 HR		\$0.51	\$1.51	\$0.28	\$1.17	\$3.47
LISTER	185 HP	0.12 HR		\$1.03	\$3.79	\$0.99	\$3.07	\$8.88
ROD WEED & PLANTER	185 HP	0.18 HR		\$1.54	\$5.69	\$1.52	\$5.90	\$14.64
CULTIVATOR (2X)	126 HP	0.26 HR		\$2.22	\$6.54	\$2.00	\$3.86	\$14.62
IRRIGATE (12X)		1.20 HR		\$9.00	\$49.98	\$0.00	\$10.32	\$69.30
SUBTOTAL		2.12 HR		\$16.87	\$76.98	\$8.95	\$33.23	\$136.03

HARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
COMBINE	22 FT	0.16		\$1.37	\$4.03	\$0.66	\$3.89	\$9.94
HAUL	2 TON	0.16		\$1.37	\$3.10	\$1.03	\$5.40	\$10.89
SUBTOTAL		0.32 HR		\$2.74	\$7.13	\$1.69	\$9.28	\$20.83

OVERHEAD EXPENSES	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
DOWNTIME	0.61 HR		\$5.22				\$5.22
EMPLOYEE BENEFITS			\$3.53				\$3.53
INSURANCE		\$0.39					\$0.39
LAND TAXES						\$0.82	\$0.82
SUPERVISION AND MANAGEMENT			\$24.28				\$24.28
OTHER EXPENSES		\$35.56					\$35.56
SUBTOTAL	0.61 HR	\$35.95	\$33.02			\$0.82	\$69.80

TOTAL OPERATING EXPENSES	2.73 HR	\$117.53	\$52.62	\$84.11	\$10.64	\$43.34	\$308.23
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NET OPERATING PROFIT \$24.27

INTEREST ON OPERATING CAPITAL (\$63.01 @ 5.75%) \$3.62
 INTEREST ON EQUIPMENT INVESTMENT \$18.65

RETURN TO LAND AND RISK \$1.99

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

GROSS RETURN		\$332.50	
VARIABLE OPERATING EXPENSES	\$212.28		
RETURN OVER VARIABLE EXPENSES		\$120.22	(GROSS MARGIN)
FIXED EXPENSES	\$43.34		
NET FARM INCOME		\$76.89	(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$52.62		
NET OPERATING PROFIT		\$24.27	(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$22.28		
RETURN TO LAND AND RISK		\$1.99	

TABLE 8. Summary of per acre costs and returns for a 1,000 acre farm, Southern Quay County, Actual 2018

	WHEAT (Dryland)	GRAIN SORGHUM (Sprinkler)
	BU	CWT
PRIMARY YIELD	35.00	50.00
PRIMARY PRICE	\$4.75	\$6.65
GOVERNMENT PAYMENTS	\$0.00	\$0.00
SECOND INCOME	\$5.00	\$0.00
GROSS RETURN	\$171.25	\$332.50
CASH OPERATING EXPENSES		
SEED	\$9.25	\$11.25
FERTILIZER		\$53.20
CHEMICALS		\$16.99
CROP INSURANCE	\$0.08	\$0.14
OTHER PURCHASED INPUTS		
CANAL WATER		
FUEL, OIL & LUBRICANTS-EQUIPMENT	\$20.86	\$34.13
FUEL-IRRIGATION		\$49.98
REPAIRS	\$6.00	\$10.64
CUSTOM CHARGES		
LAND TAXES	\$0.33	\$0.82
OTHER EXPENSES	\$19.35	\$35.95
TOTAL CASH EXPENSES	\$55.87	\$213.10
RETURN OVER CASH EXPENSES	\$115.38	\$119.40
FIXED EXPENSES	\$19.97	\$42.51
TOTAL EXPENSES	\$75.84	\$255.61
NET FARM INCOME	\$95.41	\$76.89
LABOR AND MANAGEMENT COSTS	\$22.77	\$52.62
NET OPERATING PROFIT	\$72.64	\$24.27
CAPITAL COSTS		
INTEREST ON OPERATING CAPITAL	\$0.58	\$3.62
INTEREST ON EQUIPMENT INVESTMENT	\$8.64	\$18.65
TOTAL CAPITAL COSTS	\$9.22	\$22.28
RETURN TO LAND AND RISK	\$63.42	\$1.99

TABLE 9. Whole farm summary, Southern Quay County,
Actual 2018

GROSS RETURNS		
WHEAT	607.75 ACRES	
CROP		\$101,038
GRAZING		\$3,039
DIRECT PAYMENT		\$0
COUNTER CYCLICAL PAYMENT		\$0
GRAIN SORGHUM	357.25 ACRES	
CROP		\$118,786
COUNTER CYCLICAL PAYMENT		\$0
DIRECT PAYMENT		\$0
GROSS RETURN		<u>\$222,863</u>
CASH OPERATING EXPENSES		
SEED		\$9,641
FERTILIZER		\$19,006
CHEMICALS		\$6,068
CROP INSURANCE		\$100
OTHER PURCHASED INPUTS		\$0
CANAL WATER		\$0
FUEL, OIL & LUBRICANTS-EQUIPMENT		\$24,873
FUEL-IRRIGATION		\$17,854
REPAIRS		\$7,444
CUSTOM CHARGES		\$0
LAND TAXES		\$493
OTHER EXPENSES		\$24,604
TOTAL CASH EXPENSES		<u>\$110,082</u>
RETURN OVER CASH EXPENSES		\$112,781
FIXED EXPENSES		\$27,326
TOTAL EXPENSES		\$137,408
NET FARM INCOME		\$85,455
LABOR AND MANAGEMENT COSTS		\$32,636
NET OPERATING PROFIT		\$52,818
CAPITAL COSTS		
INTEREST ON OPERATING CAPITAL		\$1,647
INTEREST ON EQUIPMENT INVESTMENT		\$11,915
TOTAL CAPITAL COSTS		<u>\$13,562</u>
RETURN TO LAND AND RISK		<u>\$39,257</u>

LAND VALUE	RETURN TO RISK*	RETURN ON INVESTMENT**
\$150 /ACRE	\$34,757	14.87%
\$300 /ACRE	\$30,257	10.46%
\$450 /ACRE	\$25,757	8.06%
\$600 /ACRE	\$21,257	6.56%
\$750 /ACRE	\$16,757	5.53%
\$900 /ACRE	\$12,257	4.78%

* 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)