

TABLE 1. Acreage Summary, Union County,
Actual 2023

BUDGET AREA.....	UNION COUNTY
FARM SIZE.....	640 ACRES
IRRIGATION TYPE.....	DRYLAND
NUMBER OF CROPS...	2

ACREAGE SUMMARY:	LAND USE (ACRES)
WHEAT	136.0
ARP	0.00
FLEX IN WHEAT	24.00
GRAIN SORGHUM	391.00
ARP	0.00
FLEX IN WHEAT	69.00
ROADS & FENCES	20.00
TOTAL	640.0

TABLE 2. Basic cost information for Union County,
Actual 2023

Item		
Labor Wage Rate:		
Equipment operators	\$/hour	\$20.00
General & Irrigators	\$/hour	\$16.60
Purchased Inputs:		
Seed:		
Wheat	\$/pound	\$0.50
Grain Sorghum	\$/pound	\$2.05
Diesel fuel	\$/gallon	\$4.33
Gasoline	\$/gallon	\$2.99
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	7.25%
Land Interest Rate	percent	9.15%
Equipment Interest Rate	percent	8.75%
Real Interest Rate	percent	4.25%
Land Taxes	\$12.00 /acre (full value)	\$0.09
Personal Property Tax Rate	- NR \$/\$1,000 (Assessed Value)	\$23.68
	- R	\$19.67
Supervision Factor	\$/labor hour	\$0.50
Management Rate	percent	7.00%

TABLE 3. Overhead cost information for Union County,
Actual 2023

Item		
Electricity (Domestic & Shop)	\$256.00 per month	\$3,072
Telephone	\$115.20 per month	\$1,382
Accounting & Legal		\$1,229
Misc. Supplies & Hand Tools		\$1,869
Pickup and Auto		
miles	19,776 @ \$0.655 per mile	\$12,953
Insurance		
- general liability (non-employee)		\$1,613
- fire/theft		\$1,229
Property Taxes		
- non-planted land		\$0
- other than land & machinery		\$6,010
Building repairs and maintenance		\$614
Dues, fees, publications		\$461
Farmstead Equipment		\$192
	Total	\$30,624
	Total per planted acre	\$49.39

TABLE 5. Wheat, dryland, budgeted per acre costs and returns for a 640 acre farm with above average management, Union County,
 Actual 2023
 Planting dates: August 15 - September 15
 Harvesting dates: July 1 - July 15

ITEM	PRICE	YIELD	BASE	TOTAL
GROSS RETURNS				
WHEAT	\$5.80	35.00 BUSHEL		\$203.00
PROGRAM PAYMENT	\$0.00	35.00 BUSHEL	0.85	\$0.00
PLC PAYMENT	\$0.00			\$0.00
GRAZING	\$20.00	1.00 ACRE		\$20.00
TOTAL				\$223.00

PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS	FIXED COST	TOTAL
SEED	\$0.50	30.00 LBS	\$15.00		\$15.00
MANURE	\$2.70	5.00 TON	\$13.50		\$13.50
SUBTOTAL			\$28.50		\$28.50

PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
SWEEPS (3X)	145 HP	0.30 HR		\$6.00	\$11.65	\$3.22	\$7.66	\$28.53
DRILL	145 HP	0.18 HR		\$3.60	\$6.99	\$1.15	\$5.52	\$17.26
SUBTOTAL		0.48 HR		\$9.60	\$18.64	\$4.37	\$13.19	\$45.79

HARVEST OPERATIONS								
COMBINE (CUSTOM)			\$16.00					\$16.00
HAUL (CUSTOM)			\$5.60					\$5.60
SUBTOTAL			\$21.60					\$21.60

OVERHEAD EXPENSES								
DOWNTIME		0.12 HR		\$2.40				\$2.40
EMPLOYEE BENEFITS				\$1.73				\$1.73
INSURANCE			\$0.19					\$0.19
LAND TAXES						\$0.09		\$0.09
SUPERVISION AND MANAGEMENT				\$15.85				\$15.85
OTHER EXPENSES			\$49.39					\$49.39
SUBTOTAL		0.12 HR	\$49.59	\$19.98		\$0.09		\$69.66

TOTAL OPERATING EXPENSES		0.60 HR	\$99.69	\$29.58	\$18.64	\$4.37	\$13.28	\$165.55
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NET OPERATING PROFIT								\$57.45
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INTEREST ON OPERATING CAPITAL	(\$21.80	@	7.25%)			\$1.58
INTEREST ON EQUIPMENT INVESTMENT								\$7.78

RETURN TO LAND AND RISK								\$48.09
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BUDGET SUMMARY			
GROSS RETURN		\$223.00	
VARIABLE OPERATING EXPENSES	\$122.69		
RETURN OVER VARIABLE EXPENSES		\$100.31	(GROSS MARGIN)
FIXED EXPENSES	\$13.28		
NET FARM INCOME		\$87.03	(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$29.58		
NET OPERATING PROFIT		\$57.45	(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$9.36		
RETURN TO LAND AND RISK		\$48.09	

TABLE 6. Grain sorghum, dryland, budgeted per acre costs and returns for a 640 acre farm with above average management, Union County,
 Actual 2023
 Planting dates: May 15 - June 15
 Harvesting dates: October 15 - November 15

ITEM	PRICE	YIELD	BASE	TOTAL
GROSS RETURNS				
GRAIN SORGHUM	\$8.96	15.00 CWT		\$134.40
PROGRAM PAYMENT	\$0.00	0.00 CWT		\$0.00
PLC PAYMENT	\$0.00	15.00 CWT	0.85	\$0.00
TOTAL				\$134.40

PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS	FIXED COST	TOTAL
SEED	\$2.05	3 LBS	\$6.15		\$6.15
MANURE	\$2.75	5 TON	\$13.75		\$13.75
HERBICIDE	\$16.00	1 X/ACRE	\$16.00		\$16.00
SUBTOTAL			\$35.90		\$35.90

PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
SWEEPS	145 HP	0.10 HR		\$2.00	\$3.88	\$1.07	\$2.55	\$9.51
PLANTER	145 HP	0.17 HR		\$3.40	\$6.60	\$1.26	\$5.63	\$16.89
CULTIVATOR (2X)	145 HP	0.26 HR		\$5.20	\$10.09	\$2.20	\$6.06	\$23.55
SUBTOTAL		0.53 HR		\$10.60	\$20.58	\$4.53	\$14.25	\$49.95

HARVEST OPERATIONS								
COMBINE (CUSTOM)			\$20.50					\$20.50
HAUL (CUSTOM)			\$2.85					\$2.85
SUBTOTAL		0.00 HR	\$23.35					\$23.35

OVERHEAD EXPENSES								
DOWNTIME		0.13 HR		\$2.65				\$2.65
EMPLOYEE BENEFITS				\$1.91				\$1.91
INSURANCE			\$0.21					\$0.21
LAND TAXES							\$0.09	\$0.09
SUPERVISION AND MANAGEMENT				\$9.67				\$9.67
OTHER EXPENSES			\$49.39					\$49.39
SUBTOTAL		0.13 HR	\$49.61	\$14.23			\$0.09	\$63.93

TOTAL OPERATING EXPENSES		0.66 HR	\$108.86	\$24.83	\$20.58	\$4.53	\$14.34	\$173.13
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NET OPERATING PROFIT								(\$38.73)
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INTEREST ON OPERATING CAPITAL	(\$26.17	@	7.25%)			\$1.90
INTEREST ON EQUIPMENT INVESTMENT								\$8.38

RETURN TO LAND AND RISK								(\$49.01)
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BUDGET SUMMARY			
GROSS RETURN		\$134.40	
VARIABLE OPERATING EXPENSES	\$133.96		
RETURN OVER VARIABLE EXPENSES		\$0.44	(GROSS MARGIN)
FIXED EXPENSES	\$14.34		
NET FARM INCOME		(\$13.90)	(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$24.83		
NET OPERATING PROFIT		(\$38.73)	(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$10.28		
RETURN TO LAND AND RISK		(\$49.01)	

TABLE 7. Summary of per acre costs and returns for a 640 acre farm with above average management, Union County, Actual 2023

	WHEAT	GRAIN SORGHUM
	BU	CWT
PRIMARY YIELD	35.00	15.00
PRIMARY PRICE	\$5.80	\$8.96
GOVERNMENT PAYMENTS	\$0.00	\$0.00
SECOND INCOME	\$20.00	\$0.00
GROSS RETURN	\$223.00	\$134.40
CASH OPERATING EXPENSES		
SEED	\$15.00	\$6.15
FERTILIZER	\$13.50	\$13.75
CHEMICALS		\$16.00
CROP INSURANCE		
OTHER PURCHASED INPUTS		
CANAL WATER		
FUEL, OIL & LUBRICANTS-EQUIPMENT	\$18.64	\$20.58
FUEL-IRRIGATION		
REPAIRS	\$4.37	\$4.53
CUSTOM CHARGES	\$21.60	\$23.35
LAND TAXES	\$0.09	\$0.09
OTHER EXPENSES	\$49.59	\$49.61
TOTAL CASH EXPENSES	\$122.79	\$134.05
RETURN OVER CASH EXPENSES	\$100.21	\$0.35
FIXED EXPENSES	\$13.19	\$14.25
TOTAL EXPENSES	\$135.97	\$148.30
NET FARM INCOME	\$87.03	(\$13.90)
LABOR AND MANAGEMENT COSTS	\$29.58	\$24.83
NET OPERATING PROFIT	\$57.45	(\$38.73)
CAPITAL COSTS		
INTEREST ON OPERATING CAPITAL	\$1.58	\$1.90
INTEREST ON EQUIPMENT INVESTMENT	\$7.78	\$8.38
TOTAL CAPITAL COSTS	\$9.36	\$10.28
RETURN TO LAND AND RISK	\$48.09	(\$49.01)
Flex Computation	69.05	-26.38

TABLE 8. Whole farm summary, Union County,
Actual 2023

GROSS RETURNS		
WHEAT	229.00 ACRES	
CROP		\$46,487
GRAZING		\$4,580
PROGRAM PAYMENT		\$0
PLC PAYMENT		\$0
GRAIN SORGHUM	391.00 ACRES	
CROP		\$52,550
PROGRAM PAYMENT		\$0
PLC PAYMENT		\$0
GROSS RETURN		<u>\$103,617</u>
CASH OPERATING EXPENSES		
SEED		\$5,840
FERTILIZER		\$8,468
CHEMICALS		\$6,256
CROP INSURANCE		\$0
OTHER PURCHASED INPUTS		\$0
CANAL WATER		\$0
FUEL, OIL & LUBRICANTS-EQUIPMENT		\$12,313
FUEL-IRRIGATION		\$0
REPAIRS		\$2,771
CUSTOM CHARGES		\$14,076
LAND TAXES		\$59
OTHER EXPENSES		\$30,751
TOTAL CASH EXPENSES		<u>\$80,533</u>
RETURN OVER CASH EXPENSES		\$23,084
FIXED EXPENSES		\$8,591
TOTAL EXPENSES		\$89,125
NET FARM INCOME		\$14,493
LABOR AND MANAGEMENT COSTS		\$16,482
NET OPERATING PROFIT		(\$1,990)
CAPITAL COSTS		
INTEREST ON OPERATING CAPITAL		\$1,104
INTEREST ON EQUIPMENT INVESTMENT		\$5,059
TOTAL CAPITAL COSTS		<u>\$6,162</u>
RETURN TO LAND AND RISK		<u>(\$8,152)</u>

LAND VALUE	RETURN TO RISK*	RETURN ON INVESTMENT**
\$100 /ACRE	(\$10,872)	-1.68%
\$200 /ACRE	(\$13,592)	-1.09%
\$300 /ACRE	(\$16,312)	-0.81%

* 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)

