

TABLE 1. Acreage Summary, Southeastern Quay County,  
Projected 2013.

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 2013.

Item		
<b>Labor Wage Rate:</b>		
Equipment operators	\$/hour	\$8.55
General & Irrigators	\$/hour	\$7.50
<b>Purchased Inputs:</b>		
<b>Seed:</b>		
Wheat	\$/pound	\$0.65
<b>Energy:</b>		
Diesel fuel	\$/gallon	\$3.00
Gasoline	\$/gallon	\$3.80
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	5.00%
Land Interest Rate	percent	5.00%
Equipment Interest Rate	percent	5.00%
Real Interest Rate	percent	3.00%
Land Taxes	\$38.00 /acre (full value)	\$0.33
Personal Property Tax Rate - NR	\$/ \$1,000 (Assessed	\$25.73
- R	Value)	\$20.14
Supervision Factor	\$/labor hour	\$1.00
Management Rate	percent	7.00%

TABLE 3. Overhead cost information for Southeastern Quay County,  
Projected 2013.

Item		
Electricity (Domestic & Shop)	\$242.00 per month	\$2,904
Telephone	\$187.55 per month	\$2,251
Accounting & Legal		\$1,748
Misc. Supplies & Hand Tools		\$2,602
Pickup and Auto		
miles	37,510 @ \$0.500 per mile	\$18,755
<b>Insurance</b>		
- general liability (non-employee)		\$1,876
- fire/theft		\$1,482
<b>Property Taxes</b>		
- non-planted land		\$0
- other than land & machinery		\$6,010
Building repairs and maintenance		\$1,428
Dues, fees, publications		\$430
Farmstead Equipment		\$182
	<b>Total</b>	<b>\$39,666</b>
	<b>Total per planted acre</b>	<b>\$30.99</b>

TABLE 4. Equipment summary for a 1,920 acre dryland farm, Southeastern Quay County, Projected 2013.

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	\$17,335	\$2,338	\$121	\$18.27	\$0.94	\$450	\$67	\$4.04	
TRACTOR 185 HP	256	1	\$43,057	\$7,955	\$1,448	\$31.08	\$5.66	\$6,284	\$404	\$26.13	
COMBINE 145 HP	179	1	\$51,677	\$4,490	\$477	\$25.06	\$2.66	\$8,864	\$570	\$52.64	
GRAIN HEAI 22 FT	179	1	\$3,600		\$27		\$0.15	\$501	\$32	\$2.98	
TRUCK 2T 20 FT	179	1	\$23,000	\$3,415	\$3,893	\$19.06	\$21.72	\$4,600	\$197	\$26.77	
ROD WEED 40 FT	128	1	\$1,200		\$190		\$1.49	\$160	\$10	\$1.33	
CRUSTBUS 40 FT	64	1	\$5,500		\$169		\$2.64	\$1,100	\$47	\$17.92	
STUB. MULC 25 FT	64	1	\$7,650		\$607		\$9.49	\$1,020	\$66	\$16.96	
SWEEP 40 FT	128	1	\$6,750		\$1,071		\$8.37	\$900	\$58	\$7.48	
			\$159,768	\$18,199	\$8,003				\$23,879	\$1,452	

EQUIPMENT LIST

ITEM		NEW VALUE	USED VALUE	YEARS LIFE	EQUIP CODE	MAX HOURS	FUEL UNIT/HR	LUBE COEF	ACCUM HOURS	INTEREST AGE	EXPENSE
TRACTOR	93 HP	15735.00	17334.50	35.00	1.00	800.00	5.54	0.10	2944.00	23.00	393.38
TRACTOR	185 HP	94265.00	43056.50	15.00	1.00	800.00	9.42	0.10	2816.00	11.00	2356.63
COMBINE	145 HP	132955.00	51676.50	15.00	2.00	300.00	6.96	0.20	2329.60	13.00	3323.88
GRAIN HEAI	22 FT	7520.00	3600.00	15.00	2.00	300.00			2329.60	13.00	188.00
TRUCK 2T	20 FT	46000.00	23000.00	10.00	6.00	800.00	6.05	0.05	2329.60	13.00	1150.00
ROD WEED	40 FT	2400.00	1200.00	15.00	3.00	300.00			1920.00	15.00	60.00
CRUSTBUS	40 FT	11000.00	5500.00	10.00	8.00	100.00			832.00	13.00	275.00
STUB. MULC	25 FT	15300.00	7650.00	15.00	3.00	300.00			960.00	15.00	382.50
SWEEP	40 FT	13500.00	6750.00	15.00	3.00	300.00			2048.00	16.00	337.50

TABLE 5. Wheat, dryland, budgeted per acre costs and returns for a 1,920 acre farm with above average management, Southeastern Quay County, Projected 2013.  
 Planting dates: August 20 - September 15  
 Harvesting dates: June 15 - July 10

ITEM	PRICE	YIELD	BASEBASEBASEBASEBASEBASEBASEBASEBASEBASEBASE					TOTAL
<b>GROSS RETURNS</b>								
WHEAT	\$7.75	14.00 BUSHELS						\$108.50
DIRECT PAYMENT	\$0.00	14.00 BUSHELS	0.85					\$0.00
COUNTER CYCLICAL PAYMENT	\$0.00							\$0.00
GRAZING	\$5.00	1.00 ACRE						\$5.00
TOTAL								\$113.50
<b>PURCHASED INPUTS</b>								
	PRICE	QUANTITY	PURCHASED INPUTS				TOTAL	
SEED	\$0.65	25 LBS	\$16.25					\$16.25
CROP INSURANCE	\$0.04		\$0.04					\$0.04
SUBTOTAL			\$16.29					\$16.29
<b>PREHARVEST OPERATIONS</b>								
	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
SWEEP (2X)	185 HP	0.10 HR		\$0.86	\$3.11	\$1.40	\$3.36	\$8.73
STUBBLE MULCHER	185 HP	0.05 HR		\$0.43	\$1.55	\$0.76	\$2.15	\$4.89
RODWEED (2X)	96 HP	0.10 HR		\$0.86	\$1.83	\$0.24	\$0.54	\$3.46
DRILL	185 HP	0.05 HR		\$0.43	\$1.55	\$0.41	\$2.20	\$4.60
SUBTOTAL		0.30 HR		\$2.57	\$8.04	\$2.82	\$8.26	\$21.68
<b>HARVEST OPERATIONS</b>								
COMBINE	22 FT	0.14 HR		\$1.20	\$3.51	\$0.39	\$7.79	\$12.89
HAUL	2 TON	0.14 HR		\$1.20	\$2.67	\$3.04	\$3.75	\$10.65
SUBTOTAL		0.28 HR		\$2.39	\$6.18	\$3.43	\$11.53	\$23.54
<b>OVERHEAD EXPENSES</b>								
DOWNTIME		0.15 HR		\$0.54				\$0.54
EMPLOYEE BENEFITS				\$0.74				\$0.74
INSURANCE			\$0.10					\$0.10
LAND TAXES							\$0.33	\$0.33
SUPERVISION AND MANAGEMENT				\$5.68				\$5.68
OTHER EXPENSES			\$30.99					\$30.99
SUBTOTAL		0.15 HR	\$31.09	\$6.96			\$0.33	\$38.38
TOTAL OPERATING EXPENSES		0.73 HR	\$47.34	\$11.92	\$14.22	\$6.25	\$20.12	\$99.84
NET OPERATING PROFIT								\$13.66
INTEREST ON OPERATING CAPITAL		( \$11.66 @	0.05 )					\$0.58
INTEREST ON EQUIPMENT INVESTMENT								\$6.61
RETURN TO LAND AND RISK								\$6.46

BUDGET SUMMARY

GROSS RETURN	\$113.50	
VARIABLE OPERATING EXPENSES	\$67.81	
RETURN OVER VARIABLE EXPENSES	\$45.69	(GROSS MARGIN)
FIXED EXPENSES	\$20.12	
NET FARM INCOME	\$25.58	(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$11.92	
NET OPERATING PROFIT	\$13.66	(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$7.20	
RETURN TO LAND AND RISK	\$6.46	

TABLE 6. Summary of per acre costs and returns for a 1,920 acre farm with above average management, Southeastern Quay County, Projected 2013.

	WHEAT -DRYLAND-
	BU
PRIMARY YIELD	14.00
PRIMARY PRICE	\$7.75
GOVERNMENT PAYMENTS	\$0.00
SECOND INCOME	\$5.00
GROSS RETURN	\$113.50
CASH OPERATING EXPENSES	
SEED	\$16.25
FERTILIZER	
CHEMICALS	
CROP INSURANCE	\$0.04
OTHER PURCHASED INPUTS	\$0.10
CANAL WATER	
FUEL, OIL & LUBRICANTS-EQUIPMENT	\$14.22
FUEL-IRRIGATION	
REPAIRS	\$6.25
CUSTOM CHARGES	
LAND TAXES	\$0.33
OTHER EXPENSES	\$30.99
TOTAL CASH EXPENSES	\$68.17
RETURN OVER CASH EXPENSES	\$45.33
FIXED EXPENSES	\$19.79
TOTAL EXPENSES	\$87.96
NET FARM INCOME	\$25.54
LABOR AND MANAGEMENT COSTS	\$11.92
NET OPERATING PROFIT	\$13.62
CAPITAL COSTS	
INTEREST ON OPERATING CAPITAL	\$0.58
INTEREST ON EQUIPMENT INVESTMENT	\$6.61
TOTAL CAPITAL COSTS	\$7.20
RETURN TO LAND AND RISK	\$6.42

TABLE 7. Whole farm summary, Southeastern Quay County,  
Projected 2013.

GROSS RETURNS		
WHEAT	1,280 ACRES	
CROP		\$138,880
GRAZING		\$6,400
DIRECT PAYMENT		\$0
COUNTER CYCLICAL PAYMENT		\$0
GROSS RETURN		<u>\$145,280</u>
CASH OPERATING EXPENSES		
SEED		\$20,800
FERTILIZER		\$0
CHEMICALS		\$0
CROP INSURANCE		\$50
OTHER PURCHASED INPUTS		\$127
CANAL WATER		\$0
FUEL, OIL & LUBRICANTS-EQUIPMENT		\$18,199
FUEL-IRRIGATION		\$0
REPAIRS		\$8,003
CUSTOM CHARGES		\$0
LAND TAXES		\$417
OTHER EXPENSES		\$39,666
TOTAL CASH EXPENSES		<u>\$87,262</u>
RETURN OVER CASH EXPENSES		\$58,018
FIXED EXPENSES		\$25,331
TOTAL EXPENSES		\$112,594
NET FARM INCOME		\$32,686
LABOR AND MANAGEMENT COSTS		\$15,258
NET OPERATING PROFIT		\$17,429
CAPITAL COSTS		
INTEREST ON OPERATING CAPITAL		\$746
INTEREST ON EQUIPMENT INVESTMENT		\$8,467
TOTAL CAPITAL COSTS		<u>\$9,213</u>
RETURN TO LAND AND RISK		<u>\$8,215</u>
LAND VALUE	RETURN TO RISK*	RETURN ON INVESTMENT**
\$150 /ACRE	(\$425)	3.89%
\$300 /ACRE	(\$9,065)	2.37%
\$450 /ACRE	(\$17,705)	1.70%
\$600 /ACRE	(\$26,345)	1.33%
\$750 /ACRE	(\$34,985)	1.09%
\$900 /ACRE	(\$43,625)	0.92%

\* 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)