

TABLE 5. Wheat, dryland, budgeted per acre costs and returns for a 640 acre farm with above average management, Union County,  
 Projected 2015  
 Planting dates: August 15 - September 15  
 Harvesting dates: July 1 - July 15

ITEM	PRICE	YIELD	BASE	TOTAL
<b>GROSS RETURNS</b>				
WHEAT	\$7.00	35.00 BUSHELS		\$245.00
DIRECT PAYMENT	\$0.00	35.00 BUSHELS	0.85	\$0.00
COUNTER CYCLICAL PAYMENT	\$0.00			\$0.00
GRAZING	\$20.00	1.00 ACRE		\$20.00
<b>TOTAL</b>				<b>\$265.00</b>

PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS	FIXED COST	TOTAL
SEED	\$0.45	30.00 LBS	\$13.50		\$13.50
MANURE	\$2.70	5.00 TON	\$13.50		\$13.50
<b>SUBTOTAL</b>			<b>\$27.00</b>		<b>\$27.00</b>

PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
SWEEPS (3X)	145 HP	0.30 HR		\$2.57	\$9.41	\$3.23	\$7.72	\$22.94
DRILL	145 HP	0.18 HR		\$1.54	\$5.65	\$1.16	\$5.56	\$13.90
<b>SUBTOTAL</b>		<b>0.48 HR</b>		<b>\$4.10</b>	<b>\$15.06</b>	<b>\$4.39</b>	<b>\$13.28</b>	<b>\$36.84</b>

<b>HARVEST OPERATIONS</b>								
COMBINE (CUSTOM)			\$16.00					\$16.00
HAUL (CUSTOM)			\$5.60					\$5.60
<b>SUBTOTAL</b>			<b>\$21.60</b>					<b>\$21.60</b>

<b>OVERHEAD EXPENSES</b>								
DOWNTIME		0.12 HR		\$1.03				\$1.03
EMPLOYEE BENEFITS				\$0.74				\$0.74
INSURANCE			\$0.08					\$0.08
LAND TAXES							\$0.10	\$0.10
SUPERVISION AND MANAGEMENT				\$18.79				\$18.79
OTHER EXPENSES			\$43.64					\$43.64
<b>SUBTOTAL</b>		<b>0.12 HR</b>	<b>\$43.72</b>	<b>\$20.55</b>			<b>\$0.10</b>	<b>\$64.37</b>

<b>TOTAL OPERATING EXPENSES</b>		<b>0.60 HR</b>	<b>\$92.32</b>	<b>\$24.66</b>	<b>\$15.06</b>	<b>\$4.39</b>	<b>\$13.38</b>	<b>\$149.81</b>
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<b>NET OPERATING PROFIT</b>								<b>\$115.19</b>
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INTEREST ON OPERATING CAPITAL	(	\$20.16	@	5.50%	)			\$1.11
INTEREST ON EQUIPMENT INVESTMENT								\$4.92

<b>RETURN TO LAND AND RISK</b>								<b>\$109.16</b>
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<b>BUDGET SUMMARY</b>			
GROSS RETURN		\$265.00	
VARIABLE OPERATING EXPENSES	\$111.77		
RETURN OVER VARIABLE EXPENSES		\$153.23	(GROSS MARGIN)
FIXED EXPENSES	\$13.38		
NET FARM INCOME		\$139.85	(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$24.66		
NET OPERATING PROFIT		\$115.19	(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$6.03		
RETURN TO LAND AND RISK		\$109.16	

TABLE 6. Grain sorghum, dryland, budgeted per acre costs and returns for a 640 acre farm with above average management, Union County,  
 Projected 2015  
 Planting dates: May 15 - June 15  
 Harvesting dates: October 15 - November 15

ITEM	PRICE	YIELD	BASE	TOTAL
<b>GROSS RETURNS</b>				
GRAIN SORGHUM	\$7.06	15.00 CWT		\$105.96
COUNTER CYCLICAL PAYMENT	\$0.00	0.00 CWT		\$0.00
DIRECT PAYMENT	\$0.00	15.00 CWT	0.85	\$0.00
<b>TOTAL</b>				<b>\$105.96</b>

PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS	FIXED COST	TOTAL
SEED	\$1.31	3 LBS	\$3.93		\$3.93
MANURE	\$2.75	5 TON	\$13.75		\$13.75
HERBICIDE	\$16.00	1 X/ACRE	\$16.00		\$16.00
<b>SUBTOTAL</b>			<b>\$33.68</b>		<b>\$33.68</b>

PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
SWEEPS	145 HP	0.10 HR		\$0.86	\$3.14	\$1.08	\$2.57	\$7.65
PLANTER	145 HP	0.17 HR		\$1.45	\$5.34	\$1.26	\$5.67	\$13.72
CULTIVATOR (2X)	145 HP	0.26 HR		\$2.22	\$8.16	\$2.21	\$6.11	\$18.70
<b>SUBTOTAL</b>		<b>0.53 HR</b>		<b>\$4.53</b>	<b>\$16.63</b>	<b>\$4.55</b>	<b>\$14.36</b>	<b>\$40.07</b>

HARVEST OPERATIONS								
COMBINE (CUSTOM)				\$20.50				\$20.50
HAUL (CUSTOM)				\$2.85				\$2.85
<b>SUBTOTAL</b>		<b>0.00 HR</b>		<b>\$23.35</b>				<b>\$23.35</b>

OVERHEAD EXPENSES								
DOWNTIME		0.13 HR		\$1.13				\$1.13
EMPLOYEE BENEFITS				\$0.82				\$0.82
INSURANCE				\$0.09				\$0.09
LAND TAXES							\$0.10	\$0.10
SUPERVISION AND MANAGEMENT				\$7.68				\$7.68
OTHER EXPENSES				\$43.64				\$43.64
<b>SUBTOTAL</b>		<b>0.13 HR</b>		<b>\$43.73</b>	<b>\$9.63</b>		<b>\$0.10</b>	<b>\$53.46</b>

<b>TOTAL OPERATING EXPENSES</b>		<b>0.66 HR</b>		<b>\$100.76</b>	<b>\$14.16</b>	<b>\$16.63</b>	<b>\$4.55</b>	<b>\$14.46</b>	<b>\$150.55</b>
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<b>NET OPERATING PROFIT</b>									<b>(\$44.59)</b>
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INTEREST ON OPERATING CAPITAL	(	\$24.08	@	5.50%	)				\$1.32
INTEREST ON EQUIPMENT INVESTMENT									\$5.30

<b>RETURN TO LAND AND RISK</b>									<b>(\$51.21)</b>
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**BUDGET SUMMARY**

GROSS RETURN		\$105.96	
VARIABLE OPERATING EXPENSES	\$121.94		
RETURN OVER VARIABLE EXPENSES		(\$15.97)	(GROSS MARGIN)
FIXED EXPENSES	\$14.46		
NET FARM INCOME		(\$30.43)	(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$14.16		
NET OPERATING PROFIT		(\$44.59)	(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$6.62		
RETURN TO LAND AND RISK		(\$51.21)	

TABLE 7. Summary of per acre costs and returns for a 640 acre farm with above average management, Union County, Projected 2015

	WHEAT	GRAIN SORGHUM
	BU	CWT
PRIMARY YIELD	35.00	15.00
PRIMARY PRICE	\$7.00	\$7.06
GOVERNMENT PAYMENTS	\$0.00	\$0.00
SECOND INCOME	\$20.00	\$0.00
GROSS RETURN	\$265.00	\$105.96
CASH OPERATING EXPENSES		
SEED	\$13.50	\$3.93
FERTILIZER	\$13.50	\$13.75
CHEMICALS		\$16.00
CROP INSURANCE		
OTHER PURCHASED INPUTS		
CANAL WATER		
FUEL, OIL & LUBRICANTS-EQUIPMENT	\$15.06	\$16.63
FUEL-IRRIGATION		
REPAIRS	\$4.39	\$4.55
CUSTOM CHARGES	\$21.60	\$23.35
LAND TAXES	\$0.10	\$0.10
OTHER EXPENSES	\$43.72	\$43.73
TOTAL CASH EXPENSES	\$111.87	\$122.03
RETURN OVER CASH EXPENSES	\$153.13	(\$16.07)
FIXED EXPENSES	\$13.28	\$14.36
TOTAL EXPENSES	\$125.15	\$136.39
NET FARM INCOME	\$139.85	(\$30.43)
LABOR AND MANAGEMENT COSTS	\$24.66	\$14.16
NET OPERATING PROFIT	\$115.19	(\$44.59)
CAPITAL COSTS		
INTEREST ON OPERATING CAPITAL	\$1.11	\$1.32
INTEREST ON EQUIPMENT INVESTMENT	\$4.92	\$5.30
TOTAL CAPITAL COSTS	\$6.03	\$6.62
RETURN TO LAND AND RISK	\$109.16	(\$51.21)
Flex Computation	127.36	-31.56

TABLE 8. Whole farm summary, Union County,  
Projected 2015

GROSS RETURNS		
WHEAT	229.00 ACRES	
CROP		\$56,105
GRAZING		\$4,580
DIRECT PAYMENT		\$0
COUNTER CYCLICAL PAYMENT		\$0
GRAIN SORGHUM	391.00 ACRES	
CROP		\$41,432
DIRECT PAYMENT		\$0
COUNTER CYCLICAL PAYMENT		\$0
GROSS RETURN		<u>\$102,117</u>
CASH OPERATING EXPENSES		
SEED		\$4,628
FERTILIZER		\$8,468
CHEMICALS		\$6,256
CROP INSURANCE		\$0
OTHER PURCHASED INPUTS		\$0
CANAL WATER		\$0
FUEL, OIL & LUBRICANTS-EQUIPMENT		\$9,953
FUEL-IRRIGATION		\$0
REPAIRS		\$2,783
CUSTOM CHARGES		\$14,076
LAND TAXES		\$61
OTHER EXPENSES		\$27,108
TOTAL CASH EXPENSES		<u>\$73,333</u>
RETURN OVER CASH EXPENSES		\$28,784
FIXED EXPENSES		\$8,656
TOTAL EXPENSES		\$81,989
NET FARM INCOME		\$20,128
LABOR AND MANAGEMENT COSTS		\$11,184
NET OPERATING PROFIT		\$8,943
CAPITAL COSTS		
INTEREST ON OPERATING CAPITAL		\$772
INTEREST ON EQUIPMENT INVESTMENT		\$3,198
TOTAL CAPITAL COSTS		<u>\$3,969</u>
RETURN TO LAND AND RISK		<u>\$4,974</u>

LAND VALUE	RETURN TO RISK*	RETURN ON INVESTMENT**
\$100 /ACRE	\$3,054	7.57%
\$200 /ACRE	\$1,134	4.91%
\$300 /ACRE	(\$786)	3.63%

\* 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)