

MICROCOMPUTER CROP COST AND RETURN GENERATOR

BUDGET AREA..... UNION COUNTYProjected 2013.
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 2013.

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 2013.

Item		
Labor Wage Rate:		
Equipment operators	\$/hour	\$8.55
General & Irrigators	\$/hour	\$7.50
Purchased Inputs:		
Fertilizer:		
Nitrogen (N)	\$/pound	\$0.61
Phosphate (P205)	\$/pound	\$0.60
Potash (K2O)	\$/pound	\$0.52
Seed:		
Alfalfa	\$/pound	\$6.50
Wheat	\$/pound	\$0.65
Corn for Grain	\$/bag	\$242.80
Grain Sorghum	\$/pound	\$2.04
Haygrazer/Millet	\$/pound	\$0.94
Oats	\$/pound	\$0.61
Natural gas		
(service charge)	\$/MCF	\$4.00
Diesel fuel	\$/month	\$10.00
Gasoline	\$/gallon	\$3.00
Electricity	\$/gallon	\$3.80
LP Gas	cents/KwHr	7.94
	\$/gallon	\$2.80
Baling Twine	\$/pound	\$0.64
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	5.00%
Land Interest Rate	percent	5.00%
Equipment Interest Rate	percent	5.00%
Real Interest Rate	percent	3.00%
Land Taxes	\$27.00 /acre	\$0.23
Personal Property Tax Rate	- NR - R	\$/ \$1,000 (Assessed Value) \$25.02 \$28.63
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 2013.

Item		
Electricity (Domestic & Shop)	\$484.00 per month	\$5,808
Telephone	\$235.95 per month	\$2,831
Accounting & Legal		\$4,398
Misc. Supplies & Hand Tools		\$4,465
Pickup and Auto		
miles	37,510 @ \$0.500 per mile	\$18,755
Insurance		
- general liability (non-employee)		\$2,844
- fire/theft		\$2,281
Property Taxes		
- non-planted land		\$0
- other than land & machinery		\$6,010
Building repairs and maintenance		\$1,833
Dues, fees, publications		\$424
Farmstead Equipment		\$351
Total		\$50,000
Total per planted acre		\$45.96
Total per dryland acre		\$9.19

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 2013.
Planting dates: August 1 - September 1

ITEM	PRICE	QUANTITY	PURCHASED INPUTS					TOTAL
<u>PURCHASED INPUTS</u>								
SEED	\$6.50	20 LBS	\$130.00					\$130.00
OAT SEED	\$0.61	30 LBS	\$18.30					\$18.30
PUMP WATER*		3 AC. IN.						
SUBTOTAL			\$148.30					\$148.30
<u>PREHARVEST OPERATIONS</u>								
	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
DISC	185 HP	0.07 HR		\$0.60	\$2.18	\$1.26	\$2.77	\$6.81
CULTI-PACKER	93 HP	0.17 HR		\$1.45	\$3.93	\$0.17	\$3.43	\$8.98
DRILL	93 HP	0.12 HR		\$1.03	\$2.78	\$0.32	\$1.73	\$5.85
IRRIGATE (4X)		0.40 HR		\$3.00	\$8.24	\$0.00	\$0.44	\$11.68
SUBTOTAL		0.76 HR		\$6.08	\$17.12	\$1.75	\$8.36	\$33.32
<u>OVERHEAD EXPENSES</u>								
DOWNTIME		0.09 HR		\$0.77				\$0.77
EMPLOYEE BENEFITS				\$1.09				\$1.09
INSURANCE			\$0.12				\$0.12	
SUPERVISION AND MANAGEMENT				\$13.29				\$13.29
SUBTOTAL		0.09	\$0.12	\$15.16				\$15.28
<u>TOTAL OPERATING EXPENSES</u>		0.85 HR	\$148.42	\$21.23	\$17.12	\$1.75	\$8.36	\$196.90

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 2013.
Harvesting dates: June 1 - October 10

ITEM	PRICE	YIELD						TOTAL
GROSS RETURNS								
ALFALFA HAY	\$245.00	6.50 TONS (STACKED)						\$1,592.50
TOTAL								\$1,592.50
PURCHASED INPUTS								
PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS				FIXED COST	TOTAL
NITROGEN (N)	\$0.61	30 LBS	\$18.30					\$18.30
PHOSPHATE (P2O5)	\$0.60	100 LBS	\$60.00					\$60.00
POTASH (K2O)	\$0.52	50 LBS	\$26.00					\$26.00
TRACE ELEMENTS	\$0.15	12 LBS	\$1.80					\$1.80
ESTABLISHMENT:Principal		7 YEARS					\$28.13	\$28.13
: Interest							\$5.65	\$5.65
BALING TWINE	\$0.64	1 ROLL	\$0.36					\$0.36
PUMP WATER*		40 AC. IN.						
SUBTOTAL			\$106.46				\$33.78	\$140.24
PREHARVEST OPERATIONS								
PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
IRRIGATE (11X)		1.10 HR		\$8.25	\$109.84	\$0.00	\$5.83	\$123.92
SUBTOTAL		1.10 HR		\$8.25	\$109.84	\$0.00	\$5.83	\$123.92
HARVEST OPERATIONS								
SWATHER (4X)	13 FT SP	0.64 HR		\$5.47	\$7.19	\$0.37	\$3.72	\$16.75
BALER (4X)	126 HP	0.68 HR		\$5.81	\$16.83	\$2.85	\$6.04	\$31.53
SUBTOTAL		1.32 HR		\$11.29	\$24.02	\$3.22	\$9.76	\$48.28
OVERHEAD EXPENSES								
DOWNTIME		0.33 HR		\$2.82				\$2.82
EMPLOYEE BENEFITS				\$3.52				\$3.52
INSURANCE			\$0.39					\$0.39
LAND TAXES							\$0.23	\$0.23
SUPERVISION AND MANAGEMENT				\$113.24				\$113.24
OTHER EXPENSES			\$45.96					\$45.96
SUBTOTAL		0.33 HR	\$46.35	\$119.57			\$0.23	\$166.14
TOTAL OPERATING EXPENSES		2.75 HR	\$152.81	\$139.11	\$133.86	\$3.22	\$49.59	\$478.59
NET OPERATING PROFIT								\$1,113.91
INTEREST ON OPERATING CAPITAL		(\$82.96 @	5.00%)				\$4.15
INTEREST ON EQUIPMENT INVESTMENT								\$7.47
RETURN TO LAND AND RISK								\$1,102.29

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

BUDGET SUMMARY

GROSS RETURN		\$1,592.50	
VARIABLE OPERATING EXPENSES	\$289.89		
RETURN OVER VARIABLE EXPENSES	\$1,302.61	(GROSS MARGIN)	
FIXED EXPENSES	\$49.59		
NET FARM INCOME	\$1,253.02	(RETURN TO CAPITAL, LABOR, LAND & RISK)	
LABOR AND MANAGEMENT COST	\$139.11		
NET OPERATING PROFIT	\$1,113.91	(RETURN TO CAPITAL, LAND & RISK)	
CAPITAL COSTS	\$11.62		
RETURN TO LAND AND RISK	\$1,102.29		

TABLE 8. Wheat, sprinkler-irrigated, budgeted per acre costs and returns for a 1,280 acre farm with above average management, Union County, Projected 2013.
 Planting dates: August 15 - November 15
 Harvesting dates: July 1 - July 15

ITEM	PRICE	YIELD	BASE	TOTAL
GROSS RETURNS				
WHEAT	\$7.75	80.00 BUSHELS		\$620.00
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				\$660.00

PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS	FIXED COST	TOTAL
SEED	\$0.65	100 LBS	\$65.00		\$65.00
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			\$86.60	\$5.00	\$91.72

PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
DISC	185 HP	0.07 HR		\$0.60	\$2.18	\$1.26	\$2.77	\$6.81
CHISEL	185 HP	0.09 HR		\$0.77	\$2.80	\$0.69	\$2.77	\$7.03
DISC	185 HP	0.07 HR		\$0.60	\$2.18	\$1.26	\$2.77	\$6.81
DRILL	126 HP	0.12 HR		\$1.03	\$2.97	\$0.68	\$1.94	\$6.62
IRRIGATE (7X)		0.70 HR		\$5.25	\$30.21	\$0.00	\$2.02	\$37.48
SUBTOTAL		1.05 HR		\$8.24	\$40.32	\$3.90	\$12.28	\$64.75

HARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
COMBINE	GRAIN TABLE	0.14 HR		\$1.20	\$3.51	\$0.52	\$13.88	\$19.11
GRAIN CART	93 HP	0.14 HR		\$1.20	\$3.24	\$0.44	\$1.90	\$6.78
TRUCK	SEMI	0.14 HR		\$1.20	\$2.21	\$0.39	\$6.05	\$9.85
SUBTOTAL		0.42 HR	\$0.00	\$3.59	\$8.95	\$1.35	\$21.84	\$35.74

OVERHEAD EXPENSES	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
DOWNTIME	0.19 HR		\$1.65				\$1.65
EMPLOYEE BENEFITS			\$2.13				\$2.13
INSURANCE		\$0.24					\$0.24
LAND TAXES						\$0.23	\$0.23
SUPERVISION AND MANAGEMENT			\$47.29				\$47.29
OTHER EXPENSES		\$45.96					\$45.96
SUBTOTAL	0.19 HR	\$46.19	\$51.06			\$0.23	\$97.48

TOTAL OPERATING EXPENSES	1.66 HR	\$132.79	\$62.89	\$49.28	\$5.26	\$39.35	\$289.69
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NET OPERATING PROFIT							\$370.31
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INTEREST ON OPERATING CAPITAL	(\$55.28 @ 5.00%)						\$2.76
INTEREST ON EQUIPMENT INVESTMENT							\$11.53

RETURN TO LAND AND RISK							\$356.02
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* Pump water costs are shown under irrigation in the preharvest operations section.

BUDGET SUMMARY

GROSS RETURN		\$660.00	
VARIABLE OPERATING EXPENSES	\$187.33		
RETURN OVER VARIABLE EXPENSES		\$472.67	(GROSS MARGIN)
FIXED EXPENSES	\$39.35		
NET FARM INCOME		\$433.33	(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$62.89		
NET OPERATING PROFIT		\$370.43	(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$14.29		
RETURN TO LAND AND RISK		\$356.14	

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 2013.
 Planting dates: April 15 - May 15
 Harvesting dates: October 1 - November 15

ITEM	PRICE	YIELD	BASE	TOTAL
GROSS RETURNS				
CORN FOR GRAIN	\$6.35	200.00 BUSHELS		\$1,270.00
DIRECT PAYMENT	\$0.00	200.00 BUSHELS	0.85	\$0.00
COUNTER CYCLICAL PAYMENT	\$0.00	0.00 BUSHELS		\$0.00
GRAZING	\$20.00	1.00 ACRE		\$20.00
TOTAL				\$1,290.00

PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS	FIXED COST	TOTAL
SEED	\$3.04	26.00 000	\$78.91		\$78.91
NITROGEN (N)	\$0.61	220.00 LBS	\$134.20		\$134.20
PHOSPHATE (P2O5)	\$0.60	70.00 LBS	\$42.00		\$42.00
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			\$385.91	\$5.00	\$391.30

PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
DISC	185 HP	0.07 HR		\$0.60	\$2.18	\$1.26	\$2.77	\$6.81
CHISEL	185 HP	0.09 HR		\$0.77	\$2.80	\$0.69	\$2.77	\$7.03
DISC & SPRAY	185 HP	0.10 HR		\$0.86	\$3.11	\$1.88	\$4.80	\$10.64
PLANTER	126 HP	0.12 HR		\$1.03	\$2.97	\$0.79	\$5.31	\$10.10
ROLLING CULT (2X)	126 HP	0.20 HR		\$1.71	\$4.95	\$1.79	\$4.32	\$12.77
SIDEDRESS	185 HP	0.17 HR		\$1.45	\$5.28	\$0.96	\$4.72	\$12.42
IRRIGATE (16X)		1.60 HR		\$12.00	\$93.37	\$0.00	\$6.24	\$111.61
SUBTOTAL		2.35 HR		\$18.41	\$114.65	\$7.38	\$30.94	\$171.37

HARVEST OPERATIONS								
COMBINE	CORN HEAD	0.20 HR		\$1.71	\$5.01	\$0.93	\$32.33	\$39.98
GRAIN CART	93 HP	0.20 HR		\$1.71	\$4.63	\$0.62	\$2.72	\$9.68
TRUCK	SEMI	0.20 HR		\$1.71	\$3.15	\$0.56	\$8.65	\$14.07
SUBTOTAL		0.60 HR		\$0.00	\$5.13	\$12.79	\$2.11	\$43.70

OVERHEAD EXPENSES								
DOWNTIME		0.30 HR		\$2.52				\$2.52
EMPLOYEE BENEFITS				\$4.24				\$4.24
INSURANCE				\$0.47				\$0.47
LAND TAXES							\$0.23	\$0.23
SUPERVISION AND MANAGEMENT				\$93.54				\$93.54
OTHER EXPENSES				\$45.96				\$45.96
SUBTOTAL		0.30 HR		\$46.43	\$100.30		\$0.23	\$146.95

TOTAL OPERATING EXPENSES		3.25 HR		\$432.34	\$123.84	\$127.44	\$9.49	\$79.86	\$773.36
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NET OPERATING PROFIT									\$516.64
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INTEREST ON OPERATING CAPITAL	(\$224.90	@	5.00%)				\$11.24
INTEREST ON EQUIPMENT INVESTMENT									\$25.70

RETURN TO LAND AND RISK									\$479.70
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* Pump water costs are shown under irrigation in the preharvest operations section
 BUDGET SUMMARY

GROSS RETURN		\$1,290.00	
VARIABLE OPERATING EXPENSES	\$569.27		
RETURN OVER VARIABLE EXPENSES	\$720.73	(GROSS MARGIN)	
FIXED EXPENSES	\$79.86		
NET FARM INCOME	\$640.87	(RETURN TO CAPITAL, LABOR, LAND & RISK)	
LABOR AND MANAGEMENT COST	\$123.84		
NET OPERATING PROFIT	\$517.03	(RETURN TO CAPITAL, LAND & RISK)	
CAPITAL COSTS	\$36.94		
RETURN TO LAND AND RISK	\$480.09		

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 2013.
 Planting dates: May 15 - June 15
 Harvesting dates: October 15 - November 15

ITEM	PRICE	YIELD	BASE						TOTAL
GROSS RETURNS									
GRAIN SORGHUM	\$10.43	45.00 CWT							\$469.45
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									\$474.45
PURCHASED INPUTS									
	PRICE	QUANTITY	PURCHASED INPUTS				FIXED COST	TOTAL	
SEED	\$2.04	5 LBS	\$10.20					\$10.20	
NITROGEN (N)	\$0.61	150 LBS	\$91.50					\$91.50	
PHOSPHATE (P205)	\$0.60	50 LBS	\$30.00					\$30.00	
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			\$154.30				\$5.00	\$159.70	
PREHARVEST OPERATIONS									
	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL	
DISC	185 HP	0.07 HR		\$0.60	\$2.18	\$1.26	\$2.77	\$6.81	
CHISEL	185 HP	0.09 HR		\$0.77	\$2.80	\$0.69	\$2.77	\$7.03	
DISC & SPRAY	185 HP	0.10 HR		\$0.86	\$3.11	\$1.88	\$4.80	\$10.64	
PLANTER	126 HP	0.12 HR		\$1.03	\$2.97	\$0.79	\$5.31	\$10.10	
ROLLING CULT.	126 HP	0.10 HR		\$0.86	\$2.47	\$0.89	\$2.16	\$6.39	
SIDEDRESS ANHYDROUS	185 HP	0.17 HR		\$1.45	\$5.28	\$0.96	\$4.72	\$12.42	
IRRIGATE (6X)		0.60 HR		\$4.50	\$32.95	\$0.00	\$2.20	\$39.66	
SUBTOTAL		1.25 HR		\$10.06	\$51.76	\$6.48	\$24.74	\$93.04	
HARVEST OPERATIONS									
COMBINE	GRAIN TABLE	0.14 HR		\$1.20	\$3.51	\$0.52	\$13.88	\$19.11	
GRAIN CART	93 HP	0.14 HR		\$1.20	\$3.24	\$0.44	\$1.90	\$6.78	
TRUCK	2 T 18 FT	0.14 HR		\$1.20	\$1.76	\$0.06	\$16.34	\$19.36	
SUBTOTAL		0.42 HR		\$3.59	\$8.51	\$1.02	\$32.12	\$45.24	
OVERHEAD EXPENSES									
DOWNTIME		0.23 HR		\$1.92				\$1.92	
EMPLOYEE BENEFITS				\$2.46				\$2.46	
INSURANCE			\$0.27					\$0.27	
LAND TAXES							\$0.23	\$0.23	
SUPERVISION AND MANAGEMENT				\$34.47				\$34.47	
OTHER EXPENSES			\$45.96					\$45.96	
SUBTOTAL		0.23 HR		\$46.23	\$38.85		\$0.23	\$85.31	
TOTAL OPERATING EXPENSES		1.90 HR		\$200.53	\$52.50	\$60.27	\$7.50	\$62.09	\$383.28
NET OPERATING PROFIT									\$91.16
INTEREST ON OPERATING CAPITAL		(\$92.70 @ 5.00%)							\$4.64
INTEREST ON EQUIPMENT INVESTMENT									\$18.17
RETURN TO LAND AND RISK									\$68.36

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

BUDGET SUMMARY

GROSS RETURN		\$474.45	
VARIABLE OPERATING EXPENSES	\$268.30		
RETURN OVER VARIABLE EXPENSES		\$206.14	(GROSS MARGIN)
FIXED EXPENSES	\$62.09		
NET FARM INCOME		\$144.06	(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$52.50		
NET OPERATING PROFIT		\$91.56	(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$22.81		
RETURN TO LAND AND RISK		\$68.75	

TABLE 11. Haygrazer/millet, dryland, budgeted per acre costs and returns for a 1,280 acre farm with above average management, Union County, Projected 2013.
 Planting dates: June 1 - June 15
 Harvesting dates: September 1 - September 15

ITEM	PRICE	YIELD						TOTAL
GROSS RETURNS								
HAY	\$210.00	1.50 TONS						\$315.00
TOTAL								\$315.00
PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS				FIXED COST	TOTAL
SEED	\$0.94	6 LBS	\$5.64					\$5.64
HERBICIDE	\$13.70	1 ACRE	\$13.70					\$13.70
BALING TWINE	\$0.64	0 ROLL	\$0.09					\$0.09
SUBTOTAL			\$19.42					\$19.42
PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
CHISEL	185 HP	0.09 HR		\$0.77	\$2.80	\$0.69	\$2.77	\$7.03
DISC	185 HP	0.07 HR		\$0.60	\$2.18	\$1.26	\$2.77	\$6.81
DRILL	126 HP	0.12 HR		\$1.03	\$2.97	\$0.68	\$1.94	\$6.62
SUBTOTAL		0.28 HR		\$2.39	\$7.94	\$2.64	\$7.49	\$20.47
HARVEST OPERATIONS								
SWATHER	14 FT SP	0.16 HR		\$1.37	\$1.80	\$0.09	\$0.93	\$4.19
BALER	126 HP	0.17 HR		\$1.45	\$4.21	\$0.71	\$1.51	\$7.88
SUBTOTAL		0.33 HR	\$0.00	\$2.82	\$6.00	\$0.81	\$2.44	\$12.07
OVERHEAD EXPENSES								
DOWNTIME		0.15 HR		\$1.30				\$1.30
EMPLOYEE BENEFITS				\$0.94				\$0.94
INSURANCE			\$0.10					\$0.10
LAND TAXES							\$0.23	\$0.23
SUPERVISION AND MANAGEMENT				\$22.36				\$22.36
OTHER EXPENSES			\$45.96					\$45.96
SUBTOTAL		0.15 HR	\$46.06	\$24.60			\$0.23	\$70.88
TOTAL OPERATING EXPENSES		0.43 HR	\$65.48	\$29.81	\$13.95	\$3.45	\$10.15	\$122.84
NET OPERATING PROFIT								\$192.16
INTEREST ON OPERATING CAPITAL		(\$12.92 @ 5.00%)						\$0.65
INTEREST ON EQUIPMENT INVESTMENT								\$3.94
RETURN TO LAND AND RISK								\$187.58

BUDGET SUMMARY

GROSS RETURN		\$315.00	
VARIABLE OPERATING EXPENSES	\$82.87		
RETURN OVER VARIABLE EXPENSES		\$232.13	(GROSS MARGIN)
FIXED EXPENSES	\$10.15		
NET FARM INCOME		\$221.97	(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$29.81		
NET OPERATING PROFIT		\$192.16	(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$4.58		
RETURN TO LAND AND RISK		\$187.58	

TABLE 12. Summary of per acre costs and returns for a 1,280 acre farm with above average management, Union County,
Projected 2013.

	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		\$245.00	\$7.75	\$6.35	\$10.43	\$210.00
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		\$1,592.50	\$660.00	\$1,290.00	\$474.45	\$315.00
CASH OPERATING EXPENSES						
SEED	\$148.30		\$65.00	\$78.91	\$10.20	\$5.64
FERTILIZER		\$106.10	\$21.60	\$239.20	\$121.50	
CHEMICALS				\$67.80	\$22.60	\$13.70
CROP INSURANCE			\$0.12	\$0.39	\$0.39	
OTHER PURCHASED INPUTS		\$0.36				\$0.09
CANAL WATER						
FUEL, OIL & LUBRICANTS-EQUIPMENT	\$8.89	\$24.02	\$19.07	\$34.07	\$27.32	\$13.95
FUEL-IRRIGATION	\$8.24	\$109.84	\$30.21	\$93.37	\$32.95	
REPAIRS	\$1.75	\$3.22	\$5.26	\$9.49	\$7.50	\$3.45
CUSTOM CHARGES						\$0.00
LAND TAXES		\$0.23	\$0.23	\$0.23	\$0.23	\$0.23
OTHER EXPENSES	\$0.12	\$46.35	\$46.19	\$46.43	\$46.23	\$46.06
TOTAL CASH EXPENSES	\$167.30	\$290.11	\$187.67	\$569.88	\$268.92	\$83.10
RETURN OVER CASH EXPENSES	(\$167.30)	\$1,302.39	\$472.33	\$720.12	\$205.53	\$231.90
FIXED EXPENSES	\$8.36	\$49.36	\$39.12	\$79.64	\$61.86	\$9.93
TOTAL EXPENSES	\$175.66	\$339.48	\$226.79	\$649.52	\$330.78	\$93.03
NET FARM INCOME	(\$175.66)	\$1,253.02	\$433.21	\$640.48	\$143.66	\$221.97
LABOR AND MANAGEMENT COSTS	\$21.23	\$139.11	\$62.89	\$123.84	\$52.50	\$29.81
NET OPERATING PROFIT	(\$196.90)	\$1,113.91	\$370.31	\$516.64	\$91.16	\$192.16
CAPITAL COSTS						
INTEREST ON OPERATING CAPITAL		\$4.15	\$2.76	\$11.24	\$4.64	\$0.65
INTEREST ON EQUIPMENT INVESTMENT		\$7.47	\$11.53	\$25.70	\$18.17	\$3.94
TOTAL CAPITAL COSTS	\$0.00	\$11.62	\$14.29	\$36.94	\$22.81	\$4.58
RETURN TO LAND AND RISK	(\$196.90)	\$1,102.29	\$356.02	\$479.70	\$68.36	\$187.58

Flex Computation

406.67 585.03 148.39

TABLE 13. Whole farm summary, Union County,
Projected 2013.

GROSS RETURNS		
ALFALFA HAY	375 ACRES	
CROP		\$597,188
WHEAT	420.00 ACRES	
CROP		\$260,400
GRAZING		\$16,800
DIRECT PAYMENT		\$0
COUNTER CYCLICAL PAYMENT		\$0
CORN FOR GRAIN	127.50 ACRES	
CROP		\$161,925
GRAZING		\$2,550
DIRECT PAYMENT		\$0
COUNTER CYCLICAL PAYMENT		\$0
GRAIN SORGHUM	127.5 ACRES	
CROP		\$59,854
GRAZING		\$638
DIRECT PAYMENT		\$0
COUNTER CYCLICAL PAYMENT		\$0
HAYGRAZER/MILLET	190 ACRES	
CROP		\$59,850
GROSS RETURN		<u>\$1,159,204</u>
CASH OPERATING EXPENSES		
SEED		\$47,890
FERTILIZER		\$94,849
CHEMICALS		\$14,129
CROP INSURANCE		\$150
OTHER PURCHASED INPUTS		\$152
CANAL WATER		\$0
FUEL, OIL & LUBRICANTS-EQUIPMENT		\$27,981
FUEL-IRRIGATION		\$70,437
REPAIRS		\$6,334
CUSTOM CHARGES		\$0
LAND TAXES		\$279
OTHER EXPENSES		\$57,352
TOTAL CASH EXPENSES		<u>\$319,552</u>
RETURN OVER CASH EXPENSES		\$839,652
FIXED EXPENSES		\$44,782
TOTAL EXPENSES		<u>\$364,334</u>
NET FARM INCOME		\$794,870
LABOR AND MANAGEMENT COSTS		\$107,898
NET OPERATING PROFIT		\$686,973
CAPITAL COSTS		
INTEREST ON OPERATING CAPITAL		\$4,864
INTEREST ON EQUIPMENT INVESTMENT		\$13,987
TOTAL CAPITAL COSTS		<u>\$18,851</u>
RETURN TO LAND AND RISK		<u>\$668,122</u>

LAND VALUE	RETURN TO RISK*	RETURN ON INVESTMENT**
\$500 /ACRE	\$648,922	76.08%
\$750 /ACRE	\$639,322	56.17%
\$1,000 /ACRE	\$629,722	44.52%
\$1,250 /ACRE	\$620,122	36.87%
\$1,500 /ACRE	\$610,522	31.47%

* 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)