

**Costs and Returns per acre from growing barley, 2006
Western Iron County**

Receipts	Quantity per acre	Unit	Price/cost per unit	Value/cost per acre	Base Value	Your Value
Barley	80.0	bushels	\$2.27	\$181.28	\$181.28	
Straw	0.50	tons	\$43.00	\$21.50	\$21.50	
Subtotal				\$202.78	\$202.78	
Operating costs						
Land preparation						
Plowing	1	acre	\$5.88	\$5.88	\$5.88	
Discing	1	acre	\$3.73	\$3.73	\$3.73	
Land plane	2	acre	\$3.34	\$6.69	\$6.69	
Planting	1	acre	\$2.96	\$2.96	\$2.96	
Seed	100	pounds	\$0.17	\$17.00	\$17.00	
Fertilization						
Nitrogen (34-0-0)	278	pounds	\$0.18	\$49.62	\$49.62	
Phosphate (11-52-0)	48	pounds	\$0.18	\$8.57	\$8.57	
Custom application	1	acre	\$7.82	\$7.82	\$7.82	
Pesticides/herbicides						
2-4-D	1.25	pint	\$2.75	\$3.44	\$3.44	
Puma	0.67	pint	\$25.00	\$16.75	\$16.75	
Custom application	1	acre	\$7.82	\$7.82	\$7.82	
Irrigation (center pivot)	2	irrigations				
Labor	0.67	hours	\$10.00	\$6.67	\$6.67	
Water assessment	1	share	\$10.00	\$10.00	\$10.00	
Repairs/maintenance	1	acre	\$2.30	\$2.30	\$2.30	
Pumping	27	acre inch	\$0.00	\$0.00	\$0.00	
Harvesting						
Custom combine	1	acre	\$26.00	\$26.00	\$26.00	
Haul grain (custom)	80.0	bushel	\$0.06	\$4.80	\$4.80	
Baling	0.50	tons	\$4.79	\$2.40	\$2.40	
Haul/stack straw	0.50	tons	\$3.63	\$1.82	\$1.82	
Crop insurance (75% Yield, 100% Price)	1	acre	\$8.22	\$8.22	\$8.22	
Interest on operating capital			7.61%	\$3.53	\$3.53	
Subtotal				\$196.01	\$197.58	
Ownership costs (excludes cost of land)				\$72.77	\$72.77	
Farm insurance	1	acre	\$2.00	\$2.00	\$2.00	
Machinery ownership costs	1	acre	\$62.52	\$62.52	\$62.52	
Irrigation equipment costs	1	acre	\$8.25	\$8.25	\$8.25	
Total costs				\$268.78	\$270.35	
Net returns to owner for unpaid labor, management, equity and risk						
Above operating costs				\$6.77	\$5.20	
Above total listed costs				-\$66.00	-\$67.57	

Breakeven Table - Barley

Net returns per acre above operating costs

Yield (Bu/Ac)	Selling Price (\$/Bu)				
	\$1.27	\$1.77	\$2.27	\$2.77	\$3.27
65.00	-\$91.32	-\$58.82	-\$26.32	\$6.18	\$38.68
70.00	-\$85.29	-\$50.29	-\$15.29	\$19.71	\$54.71
75.00	-\$79.26	-\$41.76	-\$4.26	\$33.24	\$70.74
80.00	-\$73.23	-\$33.23	\$6.77	\$46.77	\$86.77
85.00	-\$67.20	-\$24.70	\$17.80	\$60.30	\$102.80
90.00	-\$61.17	-\$16.17	\$28.83	\$73.83	\$118.83
95.00	-\$55.14	-\$7.64	\$39.86	\$87.36	\$134.86

Assumptions

1. Grain planted in late March and harvested in early August.
2. Interest computed on land preparation and planting costs for 6 months and fertilization/herbicides/irrigation costs for 3 months.
3. Machinery operating costs include: fuel, oil, repairs and labor.
4. Machinery ownership costs are allocated based on equipment used for each crop.
5. Machinery ownership costs include depreciation, interest, insurance, and housing.