# Costs and Returns per acre from growing barley, 2006

## Western Iron County

<table>
<thead>
<tr>
<th>Receipts</th>
<th>Quantity per acre</th>
<th>Price/cost per unit</th>
<th>Value/cost per acre</th>
<th>Base Value</th>
<th>Your Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Barley</td>
<td>80.0</td>
<td>$2.27</td>
<td>$181.28</td>
<td>$181.28</td>
<td>$181.28</td>
</tr>
<tr>
<td>Straw</td>
<td>0.50</td>
<td>$43.00</td>
<td>$21.50</td>
<td>$21.50</td>
<td>$21.50</td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
<td></td>
<td></td>
<td>$202.78</td>
<td>$202.78</td>
<td>$202.78</td>
</tr>
</tbody>
</table>

## Operating costs

### Land preparation
- Plowing: 1 acre, $5.88
- Discing: 1 acre, $3.73
- Land plane: 2 acres, $6.69
- Seed: 100 pounds, $0.17

### Fertilization
- Nitrogen (34-0-0): 278 pounds, $0.18
- Phosphate (11-52-0): 48 pounds, $0.18
- Custom application: 1 acre, $7.82

### Pesticides/herbicides
- 2-4-D: 1.25 pint, $2.75
- Puma: 0.67 pint, $25.00
- Custom application: 1 acre, $7.82

### Irrigation (center pivot)
- Labor: 0.67 hours, $10.00
- Water assessment: 1 share, $10.00
- Pumping: 27 acre inch, $0.00

### Harvesting
- Custom combine: 1 acre, $26.00
- Haul grain (custom): 80.0 bushel, $0.06
- Baling: 0.50 tons, $4.79
- Haul/stack straw: 0.50 tons, $3.63

### Ownership costs (excludes cost of land)
- Farm insurance: 1 acre, $2.00
- Machinery ownership costs: 1 acre, $62.52
- Irrigation equipment costs: 1 acre, $8.25

**Total costs**

$268.78 $270.35

### Net returns to owner for unpaid labor, management, equity and risk

**Above operating costs**

$6.77

**Above total listed costs**

-$66.00 -$67.57

## Breakeven Table - Barley

<table>
<thead>
<tr>
<th>Selling Price ($/Bu)</th>
<th>1.27</th>
<th>1.77</th>
<th>2.27</th>
<th>2.77</th>
</tr>
</thead>
<tbody>
<tr>
<td>Bu/Ac</td>
<td>$1.27</td>
<td>$1.77</td>
<td>$2.27</td>
<td>$2.77</td>
</tr>
<tr>
<td>65.00</td>
<td>-$91.32</td>
<td>-$58.82</td>
<td>-$26.32</td>
<td>$6.18</td>
</tr>
<tr>
<td>70.00</td>
<td>-$85.29</td>
<td>-$50.29</td>
<td>-$15.29</td>
<td>$19.71</td>
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<tr>
<td>75.00</td>
<td>-$79.26</td>
<td>-$41.76</td>
<td>-$4.26</td>
<td>$33.24</td>
</tr>
<tr>
<td>80.00</td>
<td>-$73.23</td>
<td>-$33.23</td>
<td>$6.77</td>
<td>$46.77</td>
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<td>85.00</td>
<td>-$67.20</td>
<td>-$24.70</td>
<td>$17.80</td>
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<td>90.00</td>
<td>-$61.17</td>
<td>-$16.17</td>
<td>$28.83</td>
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<td>95.00</td>
<td>-$55.14</td>
<td>-$7.64</td>
<td>$39.86</td>
<td>$87.36</td>
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</tbody>
</table>

## 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.

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