

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

	Quantity per acre	Unit	Price/cost per unit	Value/cost per acre	Base Value	Your Value
Receipts						
Barley	90.3	bushels	\$2.27	\$204.62	\$204.62	
Straw	0.75	tons	\$43.00	\$32.25	\$32.25	
	Subtotal			\$236.87	\$236.87	
Operating costs						
Land preparation						
Plowing	1	acre	\$5.88	\$5.88	\$5.88	
Discing	1	acre	\$3.73	\$3.73	\$3.73	
Land plane	1	acre	\$3.34	\$3.34	\$3.34	
Roller harrow	2	acre	\$3.64	\$7.28	\$7.28	
Planting	1	acre	\$2.96	\$2.96	\$2.96	
Seed	90	pounds	\$0.17	\$15.30	\$15.30	
Fertilization						
Nitrogen (34-0-0)	205	pounds	\$0.18	\$36.59	\$36.59	
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 (wheel line)						
Labor	0.67	hours	\$10.00	\$6.67	\$6.67	
Water assessment	2	acre feet	\$3.00	\$6.00	\$6.00	
Repairs/maintenance	1	acre	\$2.30	\$2.30	\$2.30	
Pumping	22	acre inch	\$0.00	\$0.00	\$0.00	
Harvesting						
Custom combine	1	acre	\$26.00	\$26.00	\$26.00	
Haul grain (custom)	90.3	bushel	\$0.06	\$5.42	\$5.42	
Baling	0.75	tons	\$4.79	\$3.59	\$3.59	
Haul/stack straw	0.75	tons	\$3.63	\$2.72	\$2.72	
Crop insurance (75% Yield, 100% Price)	1	acre	\$5.78	\$5.78	\$5.78	
Interest on operating capital			7.61%	\$3.29	\$3.29	
	Subtotal			\$181.26	\$192.22	
Ownership costs (excludes cost of land)						
Insurance	1	acre	\$2.00	\$2.00	\$2.00	
Machinery ownership costs	1	acre	\$75.67	\$75.67	\$75.67	
Irrigation equipment costs	1	acre	\$8.25	\$8.25	\$8.25	
	Total costs			\$267.19	\$278.15	
Net returns to owner for unpaid labor, management, equity and risk						
Above operating costs				\$55.61	\$44.65	
Above total listed costs				-\$30.32	-\$41.28	

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
75.30	-\$52.78	-\$15.13	\$22.52	\$60.17	\$97.82
80.30	-\$46.75	-\$6.60	\$33.55	\$73.70	\$113.85
85.30	-\$40.72	\$1.93	\$44.58	\$87.23	\$129.88
90.30	-\$34.69	\$10.46	\$55.61	\$100.76	\$145.91
95.30	-\$28.66	\$18.99	\$66.64	\$114.29	\$161.94
100.30	-\$22.63	\$27.52	\$77.67	\$127.82	\$177.97
105.30	-\$16.60	\$36.05	\$88.70	\$141.35	\$194.00

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/herbicide/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.
6. Custom rates on all harvest operations.