## Costs and Returns per acre from growing barley, 2006

### Morgan County

#### Receipts

<table>
<thead>
<tr>
<th>Item</th>
<th>Quantity per acre</th>
<th>Unit</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>90.3</td>
<td>bushels</td>
<td>$2.27</td>
<td>$204.62</td>
<td>$204.62</td>
<td></td>
</tr>
<tr>
<td>Straw</td>
<td>0.75</td>
<td>tons</td>
<td>$43.00</td>
<td>$32.25</td>
<td>$32.25</td>
<td></td>
</tr>
</tbody>
</table>

**Subtotal**

$236.87

$236.87

#### Operating costs

**Land preparation**

- Plowing: 1 acre, $5.88
- Discing: 1 acre, $3.73
- Land plane: 1 acre, $3.34
- Roller harrow: 2 acre, $3.64

**Planting**

- 1 acre, $2.96

**Fertilization**

- Nitrogen (34-0-0): 205 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 (wheel line)**

- 2 irrigations, $10.00
- 2 acre feet, $3.00
- 1 acre, $2.30

**Labor**

- 0.67 hours, $10.00
- 2 acre feet, $3.00
- 1 acre, $2.30

**Water assessment**

- 22 acre inch, $0.00

**Harvesting**

- Custom combine: 1 acre, $26.00
- 90.3 bushel, $0.06
- 0.75 tons, $4.79
- 0.75 tons, $3.63
- 1 acre, $5.78
- 22 acre inch, $0.00
- Interest on operating capital: 7.61%, $3.29

**Subtotal**

$181.26

$192.22

#### Ownership costs (excludes cost of land)

- Insurance: 1 acre, $2.00
- Machinery ownership costs: 1 acre, $75.67
- Irrigation equipment costs: 1 acre, $8.25

**Total costs**

$267.19

$278.15

## Breakeven Table - Barley

Net returns per acre above operating costs

<table>
<thead>
<tr>
<th>Yield (Bu/Ag)</th>
<th>$1.27</th>
<th>$1.77</th>
<th>$2.27</th>
<th>$2.77</th>
<th>$3.27</th>
</tr>
</thead>
<tbody>
<tr>
<td>75.30</td>
<td>-$52.78</td>
<td>-$15.13</td>
<td>$22.52</td>
<td>$60.17</td>
<td>$97.82</td>
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<tr>
<td>80.30</td>
<td>-$46.75</td>
<td>-$6.60</td>
<td>$33.55</td>
<td>$73.70</td>
<td>$113.85</td>
</tr>
<tr>
<td>85.30</td>
<td>-$40.72</td>
<td>$1.93</td>
<td>$44.58</td>
<td>$87.23</td>
<td>$129.88</td>
</tr>
<tr>
<td>90.30</td>
<td>-$34.69</td>
<td>-$10.46</td>
<td>$55.61</td>
<td>$100.76</td>
<td>$145.91</td>
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<tr>
<td>95.30</td>
<td>-$28.66</td>
<td>$18.99</td>
<td>$66.64</td>
<td>$114.29</td>
<td>$161.94</td>
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<tr>
<td>100.30</td>
<td>-$22.63</td>
<td>$27.52</td>
<td>$77.67</td>
<td>$127.82</td>
<td>$177.97</td>
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<tr>
<td>105.30</td>
<td>-$16.60</td>
<td>$36.05</td>
<td>$88.70</td>
<td>$141.35</td>
<td>$194.00</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/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.

Budget prepared by: E. Bruce Godfrey, Cody Bingham and Darrell Eddington