Utah State University
Extension Economics

Costs and Returns per acre from growing barley, 2006
South Sanpete 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>82.0</td>
<td>bushels</td>
<td>$2.27</td>
<td>$185.81</td>
<td>$185.81</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 $218.06 $218.06

Operating costs

Land preparation
- Plowing: 1 acre, $5.88
- Discing: 2 acre, $3.73
- Land plane: 1 acre, $3.34
- Roller harrow: 2 acre, $3.64
- Planting: 1 acre, $2.96

Subtotal $218.06 $218.06

Seed
- 100 lb, $0.17

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 pints, $2.75
- Custom application: 1 acre, $7.82

Irrigation (wheel line)
- Labor: 1.33 hours, $10.00
- Water assessment: 1 share, $2.20
- Repairs/maintenance: 1 acre, $2.30
- Pumping: 27 acre inch, $0.00

Harvesting
- Combining: 1 acre, $26.00
- Haul grain (custom): 82.0 bushel, $0.06
- Baling: 0.75 tons, $4.79
- Haul/stack straw: 0.75 tons, $3.64
- Crop insurance (75% Yield, 100% Price): 1 acre, $9.22
- Interest on operating capital: 7.61%, $4.35

Subtotal $175.81 $176.48

Ownership costs (excludes cost of land)
- Farm insurance: 1 acre, $2.00
- Machinery ownership costs: 1 acre, $111.39
- Irrigation equipment costs: 1 acre, $8.25

Total costs $297.46 $298.13

Net returns to owner for unpaid labor, management, equity and risk
- Above operating costs $42.25 $41.58
- Above total listed costs $-79.39 $-80.06

Breakeven Table - Barley
Net returns per acre above operating costs

<table>
<thead>
<tr>
<th>Yield (Bu/AC)</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>65.00</td>
<td>-57.84</td>
<td>-24.34</td>
<td>5.16</td>
<td>42.66</td>
<td>76.16</td>
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<tr>
<td>70.00</td>
<td>-51.81</td>
<td>-15.81</td>
<td>20.19</td>
<td>56.19</td>
<td>92.19</td>
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<tr>
<td>75.00</td>
<td>-45.78</td>
<td>-7.28</td>
<td>31.22</td>
<td>69.72</td>
<td>108.22</td>
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<tr>
<td>80.00</td>
<td>-39.75</td>
<td>1.25</td>
<td>42.25</td>
<td>83.25</td>
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<tr>
<td>85.00</td>
<td>-33.72</td>
<td>9.78</td>
<td>53.28</td>
<td>96.78</td>
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<tr>
<td>90.00</td>
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<td>18.31</td>
<td>64.31</td>
<td>110.31</td>
<td>156.31</td>
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<tr>
<td>95.00</td>
<td>-21.66</td>
<td>26.84</td>
<td>75.34</td>
<td>123.84</td>
<td>172.34</td>
</tr>
</tbody>
</table>

Assumptions
1. Grain planted in April and harvested in July.
2. Interest computed on land preparation and planting costs for 10 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.

Budget prepared by: E. Bruce Godfrey, Cody Bingham and Matt Palmer