

June 2012

Applied Economics/2012-05pr

# Cache County Crop Production Costs and Returns, 2011

Clark Israelsen, Extension Associate Professor, Cache County

Kynda Curtis, Associate Professor and Extension Specialist, Department of Applied Economics

Rob Lee, Research Associate, Department of Applied Economics

Don Snyder, Professor and Experiment Station Assistant Director, Department of Applied Economics

# Introduction

Sample costs and returns to establish and produce alfalfa hay, barley, corn (silage), and wheat (dry or irrigated) under wheel line irrigation in Cache County, Utah are presented in this publication. This publication is intended to be a guide used to make production decisions, determine potential returns and prepare business and marketing plans. The practices described are not the recommendations of Utah State University, but rather the production practices and materials considered typical of a well-managed farm in the region, as determined by producer survey results from 2011. Costs, materials, and practices are not applicable to all situations as management and cultural practices vary among growers within the region. The "Your Farm" column in all tables is provided for your use.

**Farm.** The representative farm consists of 400 acres of land on which 150 acres are cultivated for alfalfa production, 80 acres for barley production, 80 acres for wheat production, and 90 acres for corn silage production. The market value in 2011 was approximately \$5,000 per acre for agricultural land in Cache County with water rights.

**Crop Pricing.** Five-year average pricing (2006-2010) for alfalfa hay is \$125/ton, barley \$3.48/bu, wheat \$6.90/bu, corn (silage) \$34.60/ton, and corn (grain) \$4.43/bu (UDAF, 2011).

**Owner Labor.** The owner provided \$30,000 annually for the 400 acre farm or \$75/acre.



**Hired Labor.** Hired labor is paid \$10/hr from mid-May to mid-September (800 hours), \$8,000 annually for the 400 acre farm or \$20/acre.

**Irrigation System.** Wheel line system estimated at \$13,000 for a new ½ mile with maximum of 40 acre coverage (Valley Irrigation Company, March 2011).

**Cash Overhead.** Cash overhead consists of various cash expenses paid out during the year. These costs include property taxes, interest, office expenses, liability and property insurance, accounting/legal costs, as well as investment/machinery repairs.

**Property Taxes**. Property taxes in Utah differ across counties. For the purposes of this publication, property taxes on buildings are calculated at 1 percent of the average asset value

of the property. Property taxes on land should be taken into consideration, but are not included here.

*Insurance*. Insurance on farm investments vary, depending on the assets included and the amount of coverage. Property insurance provides coverage for property loss at .666 percent of the average asset value. Liability and crop insurance covers accidents and crop loss on the 400 acre farm at an annual cost of \$3,000.

*Fuel and Lube*. The fuel and lube for machinery and vehicles is calculated at 8 percent of the average asset value.

Investment Repairs. Annual repairs on all farm investments or capital recovery items that require maintenance are calculated at 2 percent of the average asset value for buildings, improvements, and equipment and 7 percent of the average asset value for machinery and vehicles.

*Office & Travel*. Office and travel costs are estimated at \$3,000 for an average year for the 400 acre farm. These expenses include office supplies, telephone service, Internet service, and travel expenses to educational seminars.

**Accounting & Legal.** Annual accounting and legal costs are estimated at \$3,000 for an average year for the 400 acre farm.

**Capital Recovery.** Capital recovery costs are the annual depreciation (opportunity cost) of all farm investments.

Capital recovery costs are calculated using straight line depreciation. All equipment listed is new unless otherwise noted. For used machinery the price is calculated as one-half of the new purchase price and useful life is two-thirds that of new machinery (Painter, 2011).

**Salvage Value.** Salvage value is 10 percent of the purchase price, which is an estimate of the remaining value of an investment at the end of its useful life. The salvage value for land is the purchase price, as land does not normally depreciate.

### **Average Asset Value Computation**

$$(\frac{Purchase\ Price + Salvage\ Value}{2})$$

# **Straight Line Depreciation Computation**

$$(\frac{\text{Purchase Price - Salvage Value}}{\text{Useful Life}})$$

#### References

Painter, Kathleen (2011). The Costs of Owning and Operating Farm Machinery in the Pacific Northwest 2011. A Pacific Northwest Publication #346. University of Idaho, Washington State University, and Oregon State University.

Utah Department of Agriculture and Food (2011). 2011 Utah Agriculture Statistics and Utah Department of Agriculture and Food Annual Report.

Utah State University is committed to providing an environment free from harassment and other forms of illegal discrimination based on race, color, religion, sex, national origin, age (40 and older), disability, and veteran's status. USU's policy also prohibits discrimination on the basis of sexual orientation in employment and academic related practices and decisions.

Utah State University employees and students cannot, because of race, color, religion, sex, national origin, age, disability, or veteran's status, refuse to hire; discharge; promote; demote; terminate; discriminate in compensation; or discriminate regarding terms, privileges, or conditions of employment, against any person otherwise qualified. Employees and students also cannot discriminate in the classroom, residence halls, or in on/off campus, USU-sponsored events and activities.

This publication is issued in furtherance of Cooperative Extension work, acts of May 8 and June 30, 1914, in cooperation with the U.S. Department of Agriculture, Noelle E. Cockett, Vice President for Extension and Agriculture, Utah State University.

Table 1: Cache County Alfalfa Hay Establishment Costs, 150 acres, 2011.

		,		-1101		Tatal	0-	Total	V
	Total Units	Unit		rice/Cost Per Unit	(	Total Cost/Value		st/Value er Acre	Your Farm
-							-		
OPERATING COSTS									
Insecticide	150.00	Acre	\$	9.00	\$	1,350.00	\$	9.00	
Herbicide	150.00	Acre	\$	40.00	\$	6,000.00	\$	40.00	
Fertilizer	150.00	Acre	\$	80.00	\$	12,000.00	\$	80.00	
Custom Chemical Application	150.00	Acre	\$	16.50	\$	2,475.00	\$	16.50	
Testing (Soil & Forage)	1.00	Annual	\$	130.00	\$	130.00	\$	0.87	
Irrigation	1.00	Annual	\$	7,200.00	\$	7,200.00	\$	48.00	<del></del>
Alfalfa Seed	20.00	Lbs/Acre	\$	3.50	\$	10,500.00	\$	70.00	
Labor	150.00	Acre	\$	20.00	\$	3,000.00	\$	20.00	
Operator Labor	150.00	Acre	\$	75.00	\$	11,250.00	\$	75.00	
Fuel & Lube	1.00	Annual	\$	6,371.20	\$	6,371.20	\$	42.47	
Maintenance	1.00	Annual	\$	7,052.65	\$	7,052.65	\$	47.02	
Miscellaneous	150.00	Acre	\$	5.00	\$	750.00	\$	5.00	
TOTAL OPERATING COSTS					\$	68,078.85	\$	453.86	
OWNERSHIP COSTS									
CASH OVERHEAD COSTS									
Liability/Crop Insurance					\$	1,140.00	\$	7.60	<del></del>
Accounting & Legal					\$	1,140.00	\$	7.60	<del></del>
Office & Travel					\$	1,140.00	\$	7.60	
Annual Investment Insurance					\$	1,022.53	\$	6.82	
Annual Investment Taxes					\$	418.55	\$	2.79	
TOTAL CASH OVERHEAD COSTS	6				\$	4,861.08	\$	32.41	
NONCACLLOVEDUE AD COCTO	Osnital Deser								
NONCASH OVERHEAD COSTS (C		')			<b>ው</b>	4 007 05	φ.	00.00	
Buildings, Improvements, & Equipm	nent				\$	4,037.25	\$		
Machinery & Vehicles					\$	16,986.00	\$	113.24	
TOTAL NONCASH OVERHEAD CO	OSTS				\$	21,023.25	\$	140.16	
TOTAL QUALEDOLUB COOTS						05.004.00		470.50	
TOTAL OWNERSHIP COSTS					\$	25,884.33	\$	172.56	
TOTAL COSTS					\$	93,963.18	\$	626.42	
YEAR ONE INCOME									
Alfalfa Hay	4.00	Tons	\$	125.00	Ф	75,000.00	Ф	500.00	
TOTAL GROSS INCOME	4.00	10115	Φ	123.00	\$ \$	75,000.00	<u>\$</u> \$	500.00	<del></del>
TOTAL GROSS INCOME					φ	73,000.00	φ	300.00	
TOTAL ESTABLISHMENT INVEST	TMENT				\$	18,963.18	\$	126.42	

Table 2: Cache County Alfalfa Hay Production Costs and Returns, 150 acres, 2011.

Table 2: Cache County Ana	na may mou	icion Co		rice/Cost	1113	Total		Total st/Value	Your
_	Total Units	Unit	I	Per Unit	C	ost/Value	Р	er Acre	Farm
GROSS INCOME									
Alfalfa Hay	5.00	Tons	\$	125.00	\$	93,750.00	\$	625.00	
7 mana 1 lay	0.00	10110	Ψ	120.00	Ψ	00,700.00	Ψ	020.00	
TOTAL GROSS INCOME					\$	93,750.00	\$	625.00	
OPERATING COSTS	450.00		•		•	4.050.00	•		
Insecticide	150.00	Acre	\$	9.00	\$	1,350.00	\$		
Herbicide	150.00	Acre	\$	15.00	\$	2,250.00	\$	15.00	
Fertilizer	150.00	Acre	\$	80.00	\$	12,000.00	\$		
Custom Chemical Application	150.00	Acre	\$	16.50	\$	2,475.00	\$	16.50	
Testing (Soil & Forage)	1.00	Annual	\$	130.00	\$	130.00	\$	0.87	
Irrigation	1.00	Annual	\$	7,200.00	\$	7,200.00	\$	48.00	
Labor	150.00	Acre	\$	20.00	\$	3,000.00	\$	20.00	
Operator Labor	150.00	Acre	\$	75.00	\$	11,250.00	\$	75.00	
Fuel & Lube	1.00	Annual	\$	6,371.20	\$	6,371.20	\$	42.47	
Maintenance	1.00	Annual	\$	7,052.65	\$	7,052.65	\$	47.02	
Miscellaneous	150.00	Acre	\$	5.00	\$	750.00	\$	5.00	
TOTAL OPERATING COSTS					\$	53,828.85	\$	358.86	
INCOME ABOVE OPERATING	COSTS				\$	39,921.15	\$	266.14	
THOOME ABOVE OF ETAXING	3 00010				Ψ	00,021.10	Ψ	200.14	
OWNERSHIP COSTS									
CASH OVERHEAD COSTS									
Liability/Crop Insurance					\$	1,140.00	\$	7.60	
Accounting & Legal					\$	1,140.00	\$	7.60	
Office & Travel					\$	1,140.00	\$	7.60	
Annual Investment Insurance					\$	1,022.53	\$	6.82	
Annual Investment Taxes					\$	418.55	\$	2.79	
TOTAL CASH OVERHEAD CO	nete .				\$	4,861.08	\$	32.41	
TOTAL CASTI OVERTILAD CO	7515				Ψ	4,001.00	Ψ	32.41	
NONCASH OVERHEAD COST	TS (Capital Red	covery)							
Buildings, Improvements, & Ed	quipment				\$	7,829.89	\$	52.20	
Machinery & Vehicles					\$	16,986.00	\$	113.24	
TOTAL NONCASH OVERHEA	D COSTS				\$	24,815.89	\$	165.44	
TO TAL NONOAGIT OVERTILA	2 00010				Ψ	27,010.03	Ψ	100.44	
TOTAL OWNERSHIP COSTS					\$	29,676.96	\$	197.85	
TOTAL COSTS					φ	02 EDE 04	φ	556 71	
TOTAL COSTS					\$	83,505.81	\$	556.71	
NET PROJECTED RETURNS					\$	10,244.19	\$	68.29	

 Table 3: Alfalfa Production Investment Summary.

Description	Pur	chase Price	Percentage Use	Purchase Price	Useful Life (Yrs)	Sa	ılvage Value	nual Capital Recovery	lr	Annual surance	Annual Taxes	Annual Repairs	An	nual Fuel & Lube
Buildings, Improvements, and	Equipme	nt												
Land	\$	2,000,000.00	38%	\$ 760,000.00	150.00	\$	760,000.00	\$ -	\$	-	TBD	\$ -	\$	-
Shop (50X100) & Tools	\$	95,000.00	38%	\$ 36,100.00	40.00	\$	3,610.00	\$ 812.25	\$	132.23	\$ 198.55	\$ 397.10	\$	-
Hay Barn (50X100)	\$	40,000.00	100%	\$ 40,000.00	40.00	\$	4,000.00	\$ 900.00	\$	146.52	\$ 220.00	\$ 440.00	\$	-
Irrigation System (Wheel Line)	\$	48,750.00	100%	\$ 48,750.00	25.00	\$	4,875.00	\$ 1,755.00	\$	178.57	\$ -	\$ 536.25	\$	-
Implements	\$	25,000.00	38%	\$ 9,500.00	15.00	\$	950.00	\$ 570.00	\$	34.80	\$ -	\$ 104.50	\$	-
Alfalfa Establishment	\$	18,963.18	100%	\$ 18,963.18	5.00	\$	-	\$ 3,792.64	\$	-	\$ -	\$ -	\$	-
Sub Total Pre-Establishment	\$	2,208,750.00		\$ 894,350.00		\$	773,435.00	\$ 4,037.25	\$	492.12	\$ 418.55	\$ 1,477.85	\$	-
Sub Total Post-Establishment	\$	2,227,713.18		\$ 913,313.18		\$	773,435.00	\$ 7,829.89	\$	492.12	\$ 418.55	\$ 1,477.85	\$	-
Machinery and Vehicles														
145 HP Tractor (used)	\$	60,000.00	38%	\$ 22,800.00	10.00	\$	2,280.00	\$ 2,052.00	\$	83.52	\$ -	\$ 877.80	\$	1,003.20
95 HP Tractor (used)	\$	30,000.00	38%	\$ 11,400.00	10.00	\$	1,140.00	\$ 1,026.00	\$	41.76	\$ -	\$ 438.90	\$	501.60
2 Ton Flatbed (used)	\$	15,000.00	38%	\$ 5,700.00	10.00	\$	570.00	\$ 513.00	\$	20.88	\$ -	\$ 219.45	\$	250.80
Sw ather (used)	\$	35,000.00	100%	\$ 35,000.00	7.00	\$	3,500.00	\$ 4,500.00	\$	128.21	\$ -	\$ 1,347.50	\$	1,540.00
Baler (32X34) (used)	\$	35,000.00	100%	\$ 35,000.00	7.00	\$	3,500.00	\$ 4,500.00	\$	128.21	\$ -	\$ 1,347.50	\$	1,540.00
Hydraulic Rake	\$	15,900.00	100%	\$ 15,900.00	10.00	\$	1,590.00	\$ 1,431.00	\$	58.24	\$ -	\$ 612.15	\$	699.60
4-Wheeler	\$	10,000.00	38%	\$ 3,800.00	5.00	\$	380.00	\$ 684.00	\$	13.92	\$ -	\$ 146.30	\$	167.20
3/4 Ton Pickup	\$	40,000.00	38%	\$ 15,200.00	6.00	\$	1,520.00	\$ 2,280.00	\$	55.68	\$ -	\$ 585.20	\$	668.80
Sub Total				\$ 144,800.00		\$	14,480.00	\$ 16,986.00	\$	530.40	\$ -	\$ 5,574.80	\$	6,371.20
Total				\$ 1,058,113.18		\$	787,915.00	\$ 24,815.89	\$	1,022.53	\$ 418.55	\$ 7,052.65	\$	6,371.20

Table 4: Cache County Barley Production Costs and Returns, 80 acres, 2011.

Table 4: Cache County 1	Jariey Frouuci	ion Costs	ŕ	v a	,		Total	V
	Total Units	Unit	rice/Cost Per Unit	C	Total cost/Value		ost/Value Per Acre	Your Farm
	Total Ollits	Onit	 or Ornic	_	OSU Value	-	CIACIC	1 (11111
GROSS INCOME								
Barley	100.00	Bushels	\$ 3.48	\$	27,840.00	\$	348.00	
Straw	1.50	Ton	\$ 50.00	\$	6,000.00	\$	75.00	
TOTAL GROSS INCOME				\$	33,840.00	\$	423.00	
OPERATING COSTS								
Insecticide	80.00	Acre	\$ 3.00	\$	240.00	\$	3.00	
Herbicide	80.00	Acre	\$ 6.75	\$	540.00	\$		
Fertilizer	80.00	Acre	\$ 57.50	\$	4,600.00	\$		
Custom Chemical App	80.00	Acre	\$ 11.00	\$	880.00	\$	11.00	
Custom Combine	80.00	Acre	\$ 30.00	\$	2,400.00	\$	30.00	
Testing (Soil)	1.00	Annual	\$ 55.00	\$	55.00	\$	0.69	
Seed	80.00	Acre	\$ 24.00	\$	1,920.00	\$	24.00	
Irrigation	1.00	Annual	\$ 2,560.00	\$	2,560.00	\$		
Labor	80.00	Acre	\$ 20.00	\$	1,600.00	\$	20.00	
Operator Labor	80.00	Acre	\$ 75.00	\$	6,000.00	\$	75.00	
Fuel & Lube	1.00	Annual	\$ 1,100.00	\$	1,100.00	\$	13.75	
Maintenance	1.00	Annual	\$ 1,512.50	\$	1,512.50	\$	18.91	
Miscellaneous	80.00	Acre	\$ 5.00	\$	400.00	\$	5.00	
TOTAL OPERATING COST					23,807.50	\$	297.59	
INCOME ABOVE OPERAT	ING COSTS			\$	10,032.50	\$	125.41	
OWNERSHIP COSTS								
CASH OVERHEAD COSTS	3							
Liability/Crop Insurance				\$	600.00	\$	7.50	
Accounting & Legal				\$	600.00	\$	7.50	
Office & Travel				\$	600.00	\$	7.50	
Annual Investment Insurance	ce			\$	274.73	\$	3.43	
Annual Investment Taxes				\$	104.50	\$	1.31	
TOTAL CASH OVERHEAD	COSTS			\$	2,179.23	\$	27.24	
TOTAL CASH OVERHEAD	00313			Φ	2,179.23	φ	21.24	
NONCASH OVERHEAD CO	OSTS (Capital Re	ecovery)						
Buildings, Improvements, &	Equipment			\$	1,663.50	\$	20.79	
Machinery & Vehicles				\$	2,910.00	\$	36.38	
TOTAL NONCASH OVERH	FAD COSTS			\$	4,573.50	\$	57.17	
					.,	7		
TOTAL OWNERSHIP COS	STS			\$	6,752.73	\$	84.41	
TOTAL COSTS				\$	30,560.23	\$	382.00	
NET PROJECTED RETUR	NS			\$	3,279.78	\$	41.00	

**Table 5: Barley Production Investment Summary.** 

			Percentage			Useful Life				Annual Capital		Annual	Α	nnual	Annual	Aı	nnual Fuel
Description	Pu	rchase Price	Use	Pu	ırchase Price	(Yrs)	S	alvage Value	F	Recovery	lr	nsurance	T	axes	 Repairs		& Lube
Buildings, Improvements, and Equipment																	
Land	\$	2,000,000.00	20%	\$	400,000.00	150.00	\$	400,000.00	\$	_	\$	-		TBD	\$ -	\$	-
Shop (50X100) & Tools	\$	95,000.00	20%		19,000.00	40.00	\$	1,900.00		427.50		69.60	\$	104.50	209.00	\$	-
Implements	\$	25,000.00	20%		5,000.00	15.00	\$	500.00	\$	300.00	\$	18.32	\$	-	\$ 55.00	\$	-
Irrigation System (Wheel Line)	\$	26,000.00	100%	\$	26,000.00	25.00	\$	2,600.00	\$	936.00	\$	95.24	\$	-	\$ 286.00	\$	-
Sub Total				\$	450,000.00	NA	\$	405,000.00	\$	1,663.50	\$	183.15	\$	104.50	\$ 550.00	\$	
Machinery and Vehicles																	
145 HP Tractor (used)	\$	60,000.00	20%	\$	12,000.00	10.00	\$	1,200.00	\$	1,080.00	\$	43.96	\$	-	\$ 462.00	\$	528.00
2 Ton Flatbed (used)	\$	15,000.00	20%	\$	3,000.00	10.00	\$	300.00	\$	270.00	\$	10.99	\$	-	\$ 115.50	\$	132.00
4-Wheeler	\$	10,000.00	20%	\$	2,000.00	5.00	\$	200.00	\$	360.00	\$	7.33	\$	-	\$ 77.00	\$	88.00
3/4 Ton Pickup	\$	40,000.00	20%	\$	8,000.00	6.00	\$	800.00	\$	1,200.00	\$	29.30	\$	-	\$ 308.00	\$	352.00
Sub Total				\$	25,000.00	NA	\$	2,500.00	\$	2,910.00	\$	91.58	\$	-	\$ 962.50	\$	1,100.00
Total				\$	475,000.00	NA	\$	407,500.00	\$	4,573.50	\$	274.73	\$	104.50	\$ 1,512.50	\$	1,100.00

Table 6: Cache County Corn (Silage under Flood) Production Costs and Returns, 90 acres, 2011.

	(		,					Total	
			Р	rice/Cost		Total	Co	st/Value	Your
	Total Units	Unit	I	Per Unit	С	ost/Value	Р	er Acre	Farm
GROSS INCOME	05.00	<b>-</b>	•	04.00	•	77.050.00	Φ.	005.00	
Corn Silage	25.00	Tons	\$	34.60	\$	77,850.00	\$	865.00	
TOTAL GROSS INCOME					\$	77,850.00	\$	865.00	
OPERATING COSTS									
Insecticide	90.00	Acre	\$	-	\$	-	\$	-	
Herbicide	90.00	Acre	\$	9.50	\$	855.00	\$	9.50	
Fertilizer	90.00	Acre	\$	120.00	\$	10,800.00	\$	120.00	
Custom Chemical App	90.00	Acre	\$	11.00	\$	990.00	\$	11.00	
Custom Chop	90.00	Acre	\$	325.00	\$	29,250.00	\$	325.00	
Testing (Soil)	1.00	Annual	\$	55.00	\$	55.00	\$	0.61	
Seed	90.00	Acre	\$	90.00	\$	8,100.00	\$	90.00	
Irrigation	1.00	Annual	\$	4,320.00	\$	4,320.00	\$	48.00	
Labor	90.00	Acre	\$	20.00	\$	1,800.00	\$	20.00	
Operator Labor	90.00	Acre	\$	75.00	\$	6,750.00	\$	75.00	
Fuel & Lube	1.00	Annual	\$	1,064.80	\$	1,064.80	\$	11.83	
Maintenance	1.00	Annual	\$	2,372.10	\$	2,372.10	\$	26.36	
Miscellaneous	90.00	Acre	\$	5.00	\$	450.00	\$	5.00	
Miscellaricous	30.00	Acie	Ψ	3.00	Ψ	+30.00	Ψ	5.00	
TOTAL OPERATING COST	ſS				\$	66,806.90	\$	742.30	
INCOME ABOVE OPERATI	ING COSTS				\$	11,043.10	\$	122.70	
OWNERSHIP COSTS									
CASH OVERHEAD COSTS	5								
Liability/Crop Insurance					\$	600.00	\$	6.67	
Accounting & Legal					\$	600.00	\$	6.67	
Office & Travel					\$	600.00	\$	6.67	
Annual Investment Insurance	е				\$	568.30	\$	6.31	
Annual Investment Taxes					\$	689.95	\$	7.67	
TOTAL CASH OVERHEAD	COSTS				\$	3,058.25	\$	33.98	
NONCASH OVERHEAD CO	· ·	ecovery)							
Buildings, Improvements, &	Equipment				\$	3,100.25	\$	34.45	
Machinery & Vehicles					\$	2,904.00	\$	32.27	
TOTAL NONCASH OVERH	IFAD COSTS				\$	6,004.25	\$	66.71	
					Ψ	3,001.20	<u> </u>		
TOTAL OWNERSHIP COST	TS				\$	9,062.50	\$	100.69	
TOTAL COSTS					\$	75,869.40	\$	842.99	
					_	·	Ť		
NET PROJECTED RETUR	NS				\$	1,980.60	\$	22.01	

 Table 7: Corn (Silage) Production Investment Summary.

									Annual								
_		-	_			_		_	•								nual Fuel
Pu	irchase Price	Use	Pu	irchase Price	(Yrs)	S	alvage Value	- 1	Recovery	Ir	surance		Taxes	١	Repairs		& Lube
\$	2,000,000.00	22%	\$	440,000.00	150.00	\$	440,000.00	\$	-	\$	-		TBD	\$	-	\$	-
\$	95,000.00	22%	\$	20,900.00	40.00	\$	2,090.00	\$	470.25	\$	76.56	\$	114.95	\$	229.90	\$	-
\$	115,000.00	100%	\$	115,000.00	50.00	\$	-	\$	2,300.00	\$	382.95	\$	575.00	\$	1,150.00	\$	-
\$	25,000.00	22%	\$	5,500.00	15.00	\$	550.00	\$	330.00	\$	20.15	\$	-	\$	60.50	\$	-
			\$	581,400.00	NA	\$	442,640.00	\$	3,100.25	\$	479.65	\$	689.95	\$	1,440.40	\$	-
\$	60,000.00	22%	\$	13,200.00	10.00	\$	1,320.00	\$	1,188.00	\$	48.35	\$	-	\$	508.20	\$	580.80
\$	10,000.00	22%	\$	2,200.00	5.00	\$	220.00	\$	396.00	\$	8.06	\$	-	\$	84.70	\$	96.80
\$	40,000.00	22%	\$	8,800.00	6.00	\$	880.00	\$	1,320.00	\$	32.23	\$	-	\$	338.80	\$	387.20
			\$	24,200.00	NA	\$	2,420.00	\$	2,904.00	\$	88.64	\$	-	\$	931.70	\$	1,064.80
			•	605 600 00	NΔ	•	445 060 00	¢	6 004 25	•	568 30	•	689 95	\$	2 372 10	\$	1,064.80
	\$ \$ \$ \$	\$ 115,000.00 \$ 25,000.00 \$ 60,000.00 \$ 10,000.00	\$ 2,000,000.00 22% \$ 95,000.00 22% \$ 115,000.00 100% \$ 25,000.00 22% \$ 60,000.00 22%	Purchase Price         Use         Purchase           \$ 2,000,000.00         22%         \$           \$ 95,000.00         22%         \$           \$ 115,000.00         100%         \$           \$ 25,000.00         22%         \$           \$         \$         \$           \$ 60,000.00         22%         \$           \$ 10,000.00         22%         \$           \$ 40,000.00         22%         \$	Purchase Price         Use         Purchase Price           \$ 2,000,000.00         22%         \$ 440,000.00           \$ 95,000.00         22%         \$ 20,900.00           \$ 115,000.00         100%         \$ 115,000.00           \$ 25,000.00         22%         \$ 5,500.00           \$ 581,400.00         \$ 581,400.00           \$ 10,000.00         22%         \$ 2,200.00           \$ 40,000.00         22%         \$ 8,800.00           \$ 24,200.00         \$ 24,200.00	Purchase Price         Use         Purchase Price         (Yrs)           \$ 2,000,000.00         22%         \$ 440,000.00         150.00           \$ 95,000.00         22%         \$ 20,900.00         40.00           \$ 115,000.00         100%         \$ 115,000.00         50.00           \$ 25,000.00         22%         \$ 5,500.00         15.00           \$ 581,400.00         NA           \$ 60,000.00         22%         \$ 13,200.00         10.00           \$ 10,000.00         22%         \$ 2,200.00         5.00           \$ 40,000.00         22%         \$ 8,800.00         6.00	Purchase Price         Use         Purchase Price         (Yrs)         Same Price           \$ 2,000,000.00         22%         \$ 440,000.00         150.00         \$           \$ 95,000.00         22%         \$ 20,900.00         40.00         \$           \$ 115,000.00         100%         \$ 115,000.00         50.00         \$           \$ 25,000.00         22%         \$ 5,500.00         15.00         \$           \$ 581,400.00         NA         \$           \$ 60,000.00         22%         \$ 13,200.00         10.00         \$           \$ 10,000.00         22%         \$ 2,200.00         5.00         \$           \$ 40,000.00         22%         \$ 8,800.00         6.00         \$	Purchase Price         Use         Purchase Price         (Yrs)         Salvage Value           \$ 2,000,000.00         22%         \$ 440,000.00         150.00         \$ 440,000.00           \$ 95,000.00         22%         \$ 20,900.00         40.00         \$ 2,090.00           \$ 115,000.00         100%         \$ 115,000.00         50.00         \$ -           \$ 25,000.00         22%         \$ 5,500.00         15.00         \$ 550.00           \$ 581,400.00         NA         \$ 442,640.00           \$ 60,000.00         22%         \$ 13,200.00         10.00         \$ 1,320.00           \$ 10,000.00         22%         \$ 2,200.00         5.00         \$ 220.00           \$ 40,000.00         22%         \$ 8,800.00         6.00         \$ 880.00	Purchase Price         Use         Purchase Price         (Yrs)         Salvage Value         I           \$ 2,000,000.00         22%         \$ 440,000.00         150.00         \$ 440,000.00         \$ 2,090.00         \$ \$ 2,090.00         \$ 2,090.00         \$ 2,090.00         \$ \$ 2,090.00         \$ \$ 2,090.00         \$ \$ 2,090.00         \$ \$ 2,090.00         \$ \$ 2,090.00         \$ \$ 2,090.00         \$ \$ 2,090.00         \$ \$ 2,090.00         \$ \$ 2,090.00         \$ \$ 2,090.00         \$ \$ 2,000.00         \$ \$ 2,000.00         \$ \$ 2,000.00         \$ \$ 2,000.00         \$ \$ 2,000.00         <	Purchase Price         Percentage Use         Purchase Price         Useful Life (Yrs)         Salvage Value         Capital Recovery           \$ 2,000,000.00         22%         \$ 440,000.00         150.00         \$ 440,000.00         \$ -           \$ 95,000.00         22%         \$ 20,900.00         40.00         \$ 2,090.00         \$ 470.25           \$ 115,000.00         100%         \$ 115,000.00         50.00         \$ -         \$ 2,300.00           \$ 25,000.00         22%         \$ 5,500.00         15.00         \$ 550.00         \$ 330.00           \$ 60,000.00         22%         \$ 13,200.00         10.00         \$ 1,320.00         \$ 1,188.00           \$ 10,000.00         22%         \$ 2,200.00         5.00         \$ 220.00         \$ 396.00           \$ 40,000.00         22%         \$ 8,800.00         6.00         \$ 880.00         \$ 1,320.00	Purchase Price         Percentage Use         Purchase Price         Useful Life (Yrs)         Salvage Value         Capital Recovery         Indicates (Yrs)           \$ 2,000,000.00         22%         \$ 440,000.00         150.00         \$ 440,000.00         \$ -         \$ 2.090.00         \$ -         \$ 2.090.00         \$ 440,000.00         \$ 2,090.00         \$ 470.25         \$ \$ 2.090.00         \$ 470.25         \$ 2.090.00         \$ 2.090.00         \$ 470.25         \$ 2.090.00         \$ 2.090.00         \$ 2.090.00         \$ 2.090.00         \$ 2.090.00         \$ 2.090.00         \$ 2.090.00         \$ 2.090.00         \$ 2.090.00         \$ 2.090.00         \$ 3.00.00 <td>Purchase Price         Percentage Use         Purchase Price         Useful Life (Yrs)         Salvage Value         Capital Recovery         Annual Insurance           \$ 2,000,000.00         22%         \$ 440,000.00         150.00         \$ 440,000.00         \$ -         \$ -           \$ 95,000.00         22%         \$ 20,900.00         40.00         \$ 2,090.00         \$ 470.25         \$ 76.56           \$ 115,000.00         100%         \$ 115,000.00         50.00         \$ -         \$ 2,300.00         \$ 382.95           \$ 25,000.00         22%         \$ 5,500.00         15.00         \$ 550.00         \$ 33.00         \$ 20.15           \$ 60,000.00         22%         \$ 13,200.00         10.00         \$ 1,320.00         \$ 1,188.00         48.35           \$ 10,000.00         22%         \$ 2,200.00         5.00         \$ 220.00         \$ 396.00         8.06           \$ 40,000.00         22%         \$ 8,800.00         6.00         \$ 880.00         \$ 1,320.00         \$ 32,904.00         \$ 88.64</td> <td>Purchase Price         Percentage Use         Purchase Price         Useful Life (Yrs)         Salvage Value         Capital Recovery         Annual Insurance           \$ 2,000,000.00         22%         \$ 440,000.00         150.00         \$ 440,000.00         \$ -         \$ -           \$ 95,000.00         22%         \$ 20,900.00         40.00         \$ 2,090.00         \$ 470.25         \$ 76.56         \$           \$ 115,000.00         100%         \$ 115,000.00         50.00         \$ -         \$ 2,300.00         \$ 382.95         \$           \$ 25,000.00         22%         \$ 5,500.00         15.00         \$ 550.00         \$ 330.00         \$ 20.15         \$           \$ 60,000.00         22%         \$ 13,200.00         10.00         \$ 1,320.00         \$ 1,188.00         \$ 48.35         \$           \$ 10,000.00         22%         \$ 2,200.00         5.00         \$ 220.00         \$ 396.00         \$ 8.06         \$           \$ 40,000.00         22%         \$ 8,800.00         6.00         \$ 880.00         \$ 1,320.00         \$ 32,904.00         \$ 32.23         \$</td> <td>Purchase Price         Percentage Use         Purchase Price         Useful Life (Yrs)         Salvage Value         Capital Recovery         Annual Insurance         Annual Taxes           \$ 2,000,000.00         22%         \$ 440,000.00         150.00         \$ 440,000.00         \$ -         \$ -         TBD           \$ 95,000.00         22%         \$ 20,900.00         40.00         \$ 2,090.00         \$ 470.25         76.56         114.95           \$ 115,000.00         100%         \$ 115,000.00         50.00         \$ -         \$ 2,300.00         \$ 382.95         \$ 575.00           \$ 25,000.00         22%         \$ 5,500.00         15.00         \$ 550.00         \$ 330.00         \$ 20.15         \$ -           \$ 60,000.00         22%         \$ 581,400.00         NA         \$ 442,640.00         \$ 3,100.25         \$ 479.65         \$ 689.95           \$ 60,000.00         22%         \$ 13,200.00         10.00         \$ 1,320.00         \$ 1,188.00         \$ 48.35         \$ -           \$ 10,000.00         22%         \$ 2,200.00         5.00         \$ 220.00         \$ 396.00         \$ 8.06         \$ -           \$ 40,000.00         22%         \$ 8,800.00         6.00         880.00         \$ 1,320.00         \$ 88.64         -     <td>Purchase Price         Use         Purchase Price         Useful Life (Yrs)         Salvage Value         Capital Recovery         Annual Insurance         Annual Taxes         I           \$ 2,000,000.00         22%         \$ 440,000.00         150.00         \$ 440,000.00         \$ -         \$ -         TBD         \$           \$ 95,000.00         22%         \$ 20,900.00         40.00         \$ 2,090.00         \$ 470.25         \$ 76.56         \$ 114.95         \$           \$ 115,000.00         100%         \$ 115,000.00         50.00         \$ -         \$ 2,300.00         \$ 382.95         \$ 575.00         \$           \$ 25,000.00         22%         \$ 5,500.00         15.00         \$ 550.00         \$ 330.00         \$ 20.15         \$ -         \$           \$ 60,000.00         22%         \$ 5,500.00         10.00         \$ 442,640.00         \$ 3,100.25         \$ 479.65         \$ 689.95         \$           \$ 60,000.00         22%         \$ 13,200.00         10.00         \$ 1,320.00         \$ 1,188.00         \$ 48.35         \$ -         \$           \$ 10,000.00         22%         \$ 2,200.00         5.00         \$ 220.00         \$ 396.00         \$ 8.64         \$ -         \$           \$ 40,000.00         22%</td><td>Purchase Price         Percentage Use         Purchase Price         Useful Life (Yrs)         Salvage Value         Capital Recovery         Annual Insurance         Annual Insurance         Annual Taxes         Annual Repairs           \$ 2,000,000.00         22%         \$ 440,000.00         \$ 440,000.00         \$ - \$ - \$ - \$ - TBD         \$ - \$ 299.00           \$ 95,000.00         22%         \$ 20,900.00         40.00         \$ 2,090.00         \$ 470.25         \$ 76.56         \$ 114.95         \$ 229.90           \$ 115,000.00         100%         \$ 115,000.00         50.00         \$ - \$ 2,300.00         \$ 382.95         \$ 575.00         \$ 1,150.00           \$ 25,000.00         22%         \$ 5,500.00         15.00         \$ 550.00         \$ 330.00         \$ 20.15         \$ - \$ 60.50           \$ 60,000.00         22%         \$ 581,400.00         NA         \$ 442,640.00         \$ 3,100.25         \$ 479.65         \$ 689.95         \$ 1,440.40           \$ 60,000.00         22%         \$ 13,200.00         10.00         \$ 1,320.00         \$ 1,188.00         \$ 48.35         \$ - \$ 508.20           \$ 10,000.00         22%         \$ 2,200.00         5.00         \$ 220.00         \$ 396.00         \$ 8.06         \$ - \$ 84.70           40,000.00         22%         \$ 8,</td><td>Purchase Price         Purchase Price         Use (Yrs)         Salvage Value         Capital Recovery         Annual Insurance         Annual Taxes         Annual Repairs         Annual Repa</td></td>	Purchase Price         Percentage Use         Purchase Price         Useful Life (Yrs)         Salvage Value         Capital Recovery         Annual Insurance           \$ 2,000,000.00         22%         \$ 440,000.00         150.00         \$ 440,000.00         \$ -         \$ -           \$ 95,000.00         22%         \$ 20,900.00         40.00         \$ 2,090.00         \$ 470.25         \$ 76.56           \$ 115,000.00         100%         \$ 115,000.00         50.00         \$ -         \$ 2,300.00         \$ 382.95           \$ 25,000.00         22%         \$ 5,500.00         15.00         \$ 550.00         \$ 33.00         \$ 20.15           \$ 60,000.00         22%         \$ 13,200.00         10.00         \$ 1,320.00         \$ 1,188.00         48.35           \$ 10,000.00         22%         \$ 2,200.00         5.00         \$ 220.00         \$ 396.00         8.06           \$ 40,000.00         22%         \$ 8,800.00         6.00         \$ 880.00         \$ 1,320.00         \$ 32,904.00         \$ 88.64	Purchase Price         Percentage Use         Purchase Price         Useful Life (Yrs)         Salvage Value         Capital Recovery         Annual Insurance           \$ 2,000,000.00         22%         \$ 440,000.00         150.00         \$ 440,000.00         \$ -         \$ -           \$ 95,000.00         22%         \$ 20,900.00         40.00         \$ 2,090.00         \$ 470.25         \$ 76.56         \$           \$ 115,000.00         100%         \$ 115,000.00         50.00         \$ -         \$ 2,300.00         \$ 382.95         \$           \$ 25,000.00         22%         \$ 5,500.00         15.00         \$ 550.00         \$ 330.00         \$ 20.15         \$           \$ 60,000.00         22%         \$ 13,200.00         10.00         \$ 1,320.00         \$ 1,188.00         \$ 48.35         \$           \$ 10,000.00         22%         \$ 2,200.00         5.00         \$ 220.00         \$ 396.00         \$ 8.06         \$           \$ 40,000.00         22%         \$ 8,800.00         6.00         \$ 880.00         \$ 1,320.00         \$ 32,904.00         \$ 32.23         \$	Purchase Price         Percentage Use         Purchase Price         Useful Life (Yrs)         Salvage Value         Capital Recovery         Annual Insurance         Annual Taxes           \$ 2,000,000.00         22%         \$ 440,000.00         150.00         \$ 440,000.00         \$ -         \$ -         TBD           \$ 95,000.00         22%         \$ 20,900.00         40.00         \$ 2,090.00         \$ 470.25         76.56         114.95           \$ 115,000.00         100%         \$ 115,000.00         50.00         \$ -         \$ 2,300.00         \$ 382.95         \$ 575.00           \$ 25,000.00         22%         \$ 5,500.00         15.00         \$ 550.00         \$ 330.00         \$ 20.15         \$ -           \$ 60,000.00         22%         \$ 581,400.00         NA         \$ 442,640.00         \$ 3,100.25         \$ 479.65         \$ 689.95           \$ 60,000.00         22%         \$ 13,200.00         10.00         \$ 1,320.00         \$ 1,188.00         \$ 48.35         \$ -           \$ 10,000.00         22%         \$ 2,200.00         5.00         \$ 220.00         \$ 396.00         \$ 8.06         \$ -           \$ 40,000.00         22%         \$ 8,800.00         6.00         880.00         \$ 1,320.00         \$ 88.64         - <td>Purchase Price         Use         Purchase Price         Useful Life (Yrs)         Salvage Value         Capital Recovery         Annual Insurance         Annual Taxes         I           \$ 2,000,000.00         22%         \$ 440,000.00         150.00         \$ 440,000.00         \$ -         \$ -         TBD         \$           \$ 95,000.00         22%         \$ 20,900.00         40.00         \$ 2,090.00         \$ 470.25         \$ 76.56         \$ 114.95         \$           \$ 115,000.00         100%         \$ 115,000.00         50.00         \$ -         \$ 2,300.00         \$ 382.95         \$ 575.00         \$           \$ 25,000.00         22%         \$ 5,500.00         15.00         \$ 550.00         \$ 330.00         \$ 20.15         \$ -         \$           \$ 60,000.00         22%         \$ 5,500.00         10.00         \$ 442,640.00         \$ 3,100.25         \$ 479.65         \$ 689.95         \$           \$ 60,000.00         22%         \$ 13,200.00         10.00         \$ 1,320.00         \$ 1,188.00         \$ 48.35         \$ -         \$           \$ 10,000.00         22%         \$ 2,200.00         5.00         \$ 220.00         \$ 396.00         \$ 8.64         \$ -         \$           \$ 40,000.00         22%</td> <td>Purchase Price         Percentage Use         Purchase Price         Useful Life (Yrs)         Salvage Value         Capital Recovery         Annual Insurance         Annual Insurance         Annual Taxes         Annual Repairs           \$ 2,000,000.00         22%         \$ 440,000.00         \$ 440,000.00         \$ - \$ - \$ - \$ - TBD         \$ - \$ 299.00           \$ 95,000.00         22%         \$ 20,900.00         40.00         \$ 2,090.00         \$ 470.25         \$ 76.56         \$ 114.95         \$ 229.90           \$ 115,000.00         100%         \$ 115,000.00         50.00         \$ - \$ 2,300.00         \$ 382.95         \$ 575.00         \$ 1,150.00           \$ 25,000.00         22%         \$ 5,500.00         15.00         \$ 550.00         \$ 330.00         \$ 20.15         \$ - \$ 60.50           \$ 60,000.00         22%         \$ 581,400.00         NA         \$ 442,640.00         \$ 3,100.25         \$ 479.65         \$ 689.95         \$ 1,440.40           \$ 60,000.00         22%         \$ 13,200.00         10.00         \$ 1,320.00         \$ 1,188.00         \$ 48.35         \$ - \$ 508.20           \$ 10,000.00         22%         \$ 2,200.00         5.00         \$ 220.00         \$ 396.00         \$ 8.06         \$ - \$ 84.70           40,000.00         22%         \$ 8,</td> <td>Purchase Price         Purchase Price         Use (Yrs)         Salvage Value         Capital Recovery         Annual Insurance         Annual Taxes         Annual Repairs         Annual Repa</td>	Purchase Price         Use         Purchase Price         Useful Life (Yrs)         Salvage Value         Capital Recovery         Annual Insurance         Annual Taxes         I           \$ 2,000,000.00         22%         \$ 440,000.00         150.00         \$ 440,000.00         \$ -         \$ -         TBD         \$           \$ 95,000.00         22%         \$ 20,900.00         40.00         \$ 2,090.00         \$ 470.25         \$ 76.56         \$ 114.95         \$           \$ 115,000.00         100%         \$ 115,000.00         50.00         \$ -         \$ 2,300.00         \$ 382.95         \$ 575.00         \$           \$ 25,000.00         22%         \$ 5,500.00         15.00         \$ 550.00         \$ 330.00         \$ 20.15         \$ -         \$           \$ 60,000.00         22%         \$ 5,500.00         10.00         \$ 442,640.00         \$ 3,100.25         \$ 479.65         \$ 689.95         \$           \$ 60,000.00         22%         \$ 13,200.00         10.00         \$ 1,320.00         \$ 1,188.00         \$ 48.35         \$ -         \$           \$ 10,000.00         22%         \$ 2,200.00         5.00         \$ 220.00         \$ 396.00         \$ 8.64         \$ -         \$           \$ 40,000.00         22%	Purchase Price         Percentage Use         Purchase Price         Useful Life (Yrs)         Salvage Value         Capital Recovery         Annual Insurance         Annual Insurance         Annual Taxes         Annual Repairs           \$ 2,000,000.00         22%         \$ 440,000.00         \$ 440,000.00         \$ - \$ - \$ - \$ - TBD         \$ - \$ 299.00           \$ 95,000.00         22%         \$ 20,900.00         40.00         \$ 2,090.00         \$ 470.25         \$ 76.56         \$ 114.95         \$ 229.90           \$ 115,000.00         100%         \$ 115,000.00         50.00         \$ - \$ 2,300.00         \$ 382.95         \$ 575.00         \$ 1,150.00           \$ 25,000.00         22%         \$ 5,500.00         15.00         \$ 550.00         \$ 330.00         \$ 20.15         \$ - \$ 60.50           \$ 60,000.00         22%         \$ 581,400.00         NA         \$ 442,640.00         \$ 3,100.25         \$ 479.65         \$ 689.95         \$ 1,440.40           \$ 60,000.00         22%         \$ 13,200.00         10.00         \$ 1,320.00         \$ 1,188.00         \$ 48.35         \$ - \$ 508.20           \$ 10,000.00         22%         \$ 2,200.00         5.00         \$ 220.00         \$ 396.00         \$ 8.06         \$ - \$ 84.70           40,000.00         22%         \$ 8,	Purchase Price         Purchase Price         Use (Yrs)         Salvage Value         Capital Recovery         Annual Insurance         Annual Taxes         Annual Repairs         Annual Repa

Table 8: Cache County Wheat (Irrigated) Production Costs and Returns, 80 acres, 2011.

Table of Cache County	Wheat (IIIIgate	u) I I ouuc	uon	Costs and		cturiis, oo	acre	Total	
	Total Units	Unit		Price/Cost Per Unit	c	Total Cost/Value		ost/Value Per Acre	Your Farm
GROSS INCOME									
Wheat	75.00	Bushels	\$	6.90	\$	41,400.00	\$	517.50	
TOTAL GROSS INCOME					\$	41,400.00	\$	517.50	
OPERATING COSTS									
Insecticide	80.00	Acre	\$	3.00	\$	240.00	\$	3.00	
Herbicide	80.00	Acre	\$	6.75	\$	540.00	\$	6.75	
Fertilizer	80.00	Acre	\$	74.00	\$	5,920.00	\$	74.00	
Custom Chemical App	80.00	Acre	\$	11.00	\$	880.00	\$	11.00	
Custom Combine	80.00	Acre	\$	30.00	\$	2,400.00	\$	30.00	
Testing (Soil)	1.00	Annual	\$	55.00	\$	55.00	\$	0.69	
Seed	80.00	Acre	\$	24.00	\$	1,920.00	\$	24.00	
Irrigation	1.00	Annual	\$	2,560.00	\$	2,560.00	\$	32.00	
Labor	80.00	Acre	\$	20.00	\$	1,600.00	\$	20.00	
Operator Labor	80.00	Acre	\$	75.00	\$	6,000.00	\$	75.00	
Fuel & Lube	1.00	Annual	\$	1,100.00	\$	1,100.00	\$	13.75	
Maintenance	1.00	Annual	\$	1,512.50	\$	1,512.50	\$	18.91	
Miscellaneous	80.00	Acre	\$	5.00	\$	400.00	\$	5.00	
TOTAL OPERATING COS	STS				\$	25,127.50	\$	314.09	
INCOME ABOVE OPERAT						16,272.50	\$	203.41	
OWNERSHIP COSTS									
CASH OVERHEAD COST	S								
Liability/Crop Insurance					\$	600.00	\$	7.50	
Accounting & Legal					\$	600.00	\$	7.50	
Office & Travel					\$	600.00	\$	7.50	
Annual Investment Insuran	ice				\$	274.73	\$	3.43	
Annual Investment Taxes					\$	104.50	\$	1.31	
TOTAL CASH OVERHEAD	COSTS				\$	2,179.23	\$	27.24	
NONCASH OVERHEAD C	OSTS (Capital Ba	ocovory)							_
	, ,	ecovery)			Φ	1 662 50	Ф	20.79	
Buildings, Improvements, &	x =quipment				\$	1,663.50	\$		
Machinery & Vehicles					\$	2,910.00	Φ	36.38	
TOTAL NONCASH OVERI	HEAD COSTS				\$	4,573.50	\$	57.17	
TOTAL OWNERSHIP COS	STS				\$	6,752.73	\$	84.41	
TOTAL COSTS					\$	31,880.23	\$	398.50	
	ONE					·			
NET PROJECTED RETUR	CVIZ				\$	9,519.78	\$	119.00	

Table 9: Wheat (Irrigated) Production Investment Summary.

			Doroontogo			Useful Life			Annual		Annual	Annual	Annual	۸.	nual Fuel
Description	Pu	rchase Price	Percentage Use	Pu	rchase Price	(Yrs)	S	alvage Value	Capital Recovery	Ir	nsurance	Taxes	Annuai Repairs		Muai Fuei & Lube
						(110)		<b>-</b>	,						
Buildings, Improvements, and Equipment															
Land	\$	2,000,000.00	20%	\$	400,000.00	150.00	\$	400,000.00	\$ -	\$	-	TBD	\$ -	\$	-
Shop (50X100) & Tools	\$	95,000.00	20%	\$	19,000.00	40.00	\$	1,900.00	\$ 427.50	\$	69.60	\$ 104.50	\$ 209.00	\$	-
Implements	\$	25,000.00	20%	\$	5,000.00	15.00	\$	500.00	\$ 300.00	\$	18.32	\$ -	\$ 55.00	\$	-
Irrigation System (Wheel Line)	\$	26,000.00	100%	\$	26,000.00	25.00	\$	2,600.00	\$ 936.00	\$	95.24	\$ -	\$ 286.00	\$	-
Sub Total				\$	450,000.00	NA	\$	405,000.00	\$ 1,663.50	\$	183.15	\$ 104.50	\$ 550.00	\$	-
Machinery and Vehicles															
145 HP Tractor (used)	\$	60,000.00	20%	\$	12,000.00	10.00	\$	1,200.00	\$ 1,080.00	\$	43.96	\$ -	\$ 462.00	\$	528.00
2 Ton Flatbed (used)	\$	15,000.00	20%	\$	3,000.00	10.00	\$	300.00	\$ 270.00	\$	10.99	\$ -	\$ 115.50	\$	132.00
4-Wheeler	\$	10,000.00	20%	\$	2,000.00	5.00	\$	200.00	\$ 360.00	\$	7.33	\$ -	\$ 77.00	\$	88.00
3/4 Ton Pickup	\$	40,000.00	20%	\$	8,000.00	6.00	\$	800.00	\$ 1,200.00	\$	29.30	\$ -	\$ 308.00	\$	352.00
Sub Total				\$	25,000.00	NA	\$	2,500.00	\$ 2,910.00	\$	91.58	\$ -	\$ 962.50	\$	1,100.00
Total				\$	475,000.00	NA	\$	407,500.00	\$ 4,573.50	\$	274.73	\$ 104.50	\$ 1,512.50	\$	1,100.00

Table 10: Cache County Wheat (Dry) Production Costs and Returns, 80 acres, 2011.

	Total Units	Unit		rice/Cost Per Unit	С	Total cost/Value		Total est/Value er Acre	Your Farm
GROSS INCOME Wheat	45.00	Bushels	\$	6.90	\$	24,840.00	\$	310.50	
TOTAL GROSS INCOME					\$	24,840.00	\$	310.50	
OPERATING COSTS									
Insecticide	80.00	Acre	\$	3.00	\$	240.00	\$	3.00	
Herbicide	80.00	Acre	\$	6.75	\$	540.00	\$	6.75	
Fertilizer	80.00	Acre	\$	38.50	\$	3,080.00	\$		
Custom Chemical App	80.00	Acre	\$	11.00	\$	880.00	\$	11.00	
Custom Combine	80.00	Acre	\$	30.00	\$	2,400.00	\$	30.00	
Testing (Soil)	1.00	Annual	\$	55.00	\$	55.00	\$	0.69	
Seed	80.00	Ariruar	\$	17.80	φ \$	1,424.00	\$	17.80	
Operator Labor	80.00	Acre	φ \$	75.00	φ \$	6,000.00	э \$	75.00	
Fuel & Lube	1.00	Annual	\$ \$	1,100.00	φ \$	1,100.00	э \$		
Maintenance	1.00	Annual	\$ \$	1,100.00	φ \$	1,100.00	э \$		
Miscellaneous	80.00		\$ \$	5.00	\$	400.00	Ф \$	5.00	
Miscellaneous	80.00	Acre	Φ	5.00	Ф	400.00	Ф	5.00	
TOTAL OPERATING COST	S				\$	17,345.50	\$	216.82	
INCOME ABOVE OPERATI	NG COSTS				\$	7,494.50	\$	93.68	
OWNERSHIP COSTS CASH OVERHEAD COSTS	<b>.</b>								
Liability/Crop Insurance					\$	600.00	\$	7.50	
Accounting & Legal					\$	600.00	\$	7.50	
Office & Travel					\$	600.00	\$		
Annual Investment Insuranc	e				\$	179.49	\$	2.24	
Annual Investment Taxes					\$	104.50	\$	1.31	
TOTAL CASH OVERHEAD	COSTS				\$	2,083.99	\$	26.05	
		,							
NONCASH OVERHEAD CO		ecovery)			_	<b></b>	•		
Buildings, Improvements, &	Equipment				\$	727.50		9.09	
Machinery & Vehicles					\$	2,910.00	\$	36.38	
TOTAL NONCASH OVERH	EAD COSTS				\$	3,637.50	\$	45.47	
TOTAL OWNERSHIP COS	TS				\$	5,721.49	\$	71.52	
TOTAL COSTS					\$	23,066.99	\$	288.34	

**Table 11: Wheat (Dry) Production Investment Summary** 

			_							Annual						
Paradation	D		Percentage	ъ.	b D.:	Useful Life	_	alaaa Malaa		Capital		Annual	Annual		Annual	nnual Fuel
Description	Pu	rchase Price	Use	Pu	ırchase Price	(Yrs)	5	alvage Value	ŀ	Recovery	ır	nsurance	Taxes	- 1	Repairs	& Lube
Buildings, Improvements, and Equipment																
Land	\$ 2	2,000,000.00	20%	\$	400,000.00	150.00	\$	400,000.00	\$	-	\$	-	TBD	\$	-	\$ -
Shop (50X100) & Tools	\$	95,000.00	20%	\$	19,000.00	40.00	\$	1,900.00	\$	427.50	\$	69.60	\$ 104.50	\$	209.00	\$ -
Implements	\$	25,000.00	20%	\$	5,000.00	15.00	\$	500.00	\$	300.00	\$	18.32	\$ -	\$	55.00	\$ -
Sub Total				\$	424,000.00	NA	\$	402,400.00	\$	727.50	\$	87.91	\$ 104.50	\$	264.00	\$ 
Machinery and Vehicles																
145 HP Tractor (used)	\$	60,000.00	20%	\$	12,000.00	10.00	\$	1,200.00	\$	1,080.00	\$	43.96	\$ -	\$	462.00	\$ 528.00
2 Ton Flatbed	\$	15,000.00	20%	\$	3,000.00	10.00	\$	300.00	\$	270.00	\$	10.99	\$ -	\$	115.50	\$ 132.00
4-Wheeler	\$	10,000.00	20%	\$	2,000.00	5.00	\$	200.00	\$	360.00	\$	7.33	\$ -	\$	77.00	\$ 88.00
3/4 Ton Pickup	\$	40,000.00	20%	\$	8,000.00	6.00	\$	800.00	\$	1,200.00	\$	29.30	\$ -	\$	308.00	\$ 352.00
Sub Total				\$	25,000.00	NA	\$	2,500.00	\$	2,910.00	\$	91.58	\$ -	\$	962.50	\$ 1,100.00
Total				\$	449,000.00	NA	\$	404,900.00	\$	3,637.50	\$	179.49	\$ 104.50	\$	1,226.50	\$ 1,100.00