



## Duchesne County Crop Production Costs and Returns, 2011

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### Introduction

Sample costs and returns to establish and produce alfalfa hay, barley, oats, and wheat under wheel line irrigation or corn silage under pivot irrigation in Duchesne 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 200 acres are cultivated for alfalfa production, 100 acres for barley, and 50 acres for oat and wheat production, or 100 acres for corn silage production. The market value in 2011 was approximately \$3,500 per acre for agricultural land in Duchesne County with water rights.

**Crop Pricing.** Five-year average pricing (2006-2010) for alfalfa hay is \$125/ton, barley \$3.48/bu, corn (silage) \$34.60/ton, wheat \$6.90/bu, and oats \$2.88/bu (UDAF, 2011).

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

**Hired Labor.** Hired labor is paid \$13/hr for a total of \$8,000 annually for the 400 acre farm or \$20/acre.

**Irrigation System.** Wheel line system is estimated at \$13,000 for a new  $\frac{1}{4}$  mile with maximum of 40 acre coverage. A full pivot irrigation system is estimated at \$100,000 including pump (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 farm at an annual cost of \$7,000.

**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 \$6,500 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 \$2,600 for an average year for the 400 acre farm.

**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**

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

#### **Straight Line Depreciation Computation**

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

#### **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.*

**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)

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**Table 1: Duchesne County Alfalfa Hay Establishment Costs, 200 acres, 2011.**

	Total Units	Unit	Price/Cost Per Unit	Total Cost/Value	Total Cost/Value Per Acre	Your Farm
<b>OPERATING COSTS</b>						
Insecticide	200.00	Acre	\$ 20.00	\$ 4,000.00	\$ 20.00	_____
Herbicide	200.00	Acre	\$ -	\$ -	\$ -	_____
Fertilizer	200.00	Acre	\$ 120.00	\$ 24,000.00	\$ 120.00	_____
Custom Chemical App	200.00	Acre	\$ 10.00	\$ 2,000.00	\$ 10.00	_____
Custom Spread and Fert	200.00	Acre	\$ 5.00	\$ 1,000.00	\$ 5.00	_____
Testing (Soil & Forage)	1.00	Annual	\$ 200.00	\$ 200.00	\$ 1.00	_____
Irrigation	1.00	Annual	\$ 5,000.00	\$ 5,000.00	\$ 25.00	_____
Alfalfa Seed	20.00	Lbs/Acre	\$ 3.50	\$ 14,000.00	\$ 70.00	_____
Labor	200.00	Acre	\$ 20.00	\$ 4,000.00	\$ 20.00	_____
Operator Labor	200.00	Acre	\$ 75.00	\$ 15,000.00	\$ 75.00	_____
Fuel & Lube	1.00	Annual	\$ 9,450.94	\$ 9,450.94	\$ 47.25	_____
Maintenance	1.00	Annual	\$ 9,534.57	\$ 9,534.57	\$ 47.67	_____
Miscellaneous	200.00	Acre	\$ 5.00	\$ 1,000.00	\$ 5.00	_____
<b>TOTAL OPERATING COSTS</b>				\$ 89,185.51	\$ 445.93	
<b>OWNERSHIP COSTS</b>						
<b>CASH OVERHEAD COSTS</b>						
Liability/Crop Insurance				\$ 3,500.00	\$ 17.50	_____
Accounting & Legal				\$ 1,300.00	\$ 6.50	_____
Office & Travel				\$ 3,250.00	\$ 16.25	_____
Annual Investment Insurance				\$ 1,208.04	\$ 6.04	_____
Annual Investment Taxes				\$ 220.00	\$ 1.10	_____
<b>TOTAL CASH OVERHEAD COSTS</b>				\$ 9,478.04	\$ 47.39	
<b>NONCASH OVERHEAD COSTS (Capital Recovery)</b>						
Buildings, Improvements, & Equipment				\$ 3,840.00	\$ 19.20	_____
Machinery & Vehicles				\$ 25,494.10	\$ 127.47	_____
<b>TOTAL NONCASH OVERHEAD COSTS</b>				\$ 29,334.10	\$ 146.67	
<b>TOTAL OWNERSHIP COSTS</b>				\$ 38,812.14	\$ 194.06	
<b>TOTAL COSTS</b>				\$ 127,997.64	\$ 639.99	
<b>YEAR ONE INCOME</b>						
Alfalfa Hay	3.00	Tons	\$ 125.00	\$ 75,000.00	\$ 375.00	
<b>TOTAL GROSS INCOME</b>				\$ 75,000.00	\$ 375.00	
<b>TOTAL ESTABLISHMENT INVESTMENT</b>				\$ 52,997.64	\$ 264.99	

**Table 2: Duchesne County Alfalfa Hay Production Costs and Returns, 200 acres, 2011.**

	Total Units	Unit	Price/Cost Per Unit	Total Cost/Value	Total Cost/Value Per Acre	Your Farm
<b>GROSS INCOME</b>						
Alfalfa Hay	5.00	Tons	\$ 125.00	\$ 125,000.00	\$ 625.00	_____
<b>TOTAL GROSS INCOME</b>				\$ 125,000.00	\$ 625.00	
<b>OPERATING COSTS</b>						
Insecticide	200.00	Acre	\$ 20.00	\$ 4,000.00	\$ 20.00	_____
Herbicide	200.00	Acre	\$ -	\$ -	\$ -	_____
Fertilizer	200.00	Acre	\$ 120.00	\$ 24,000.00	\$ 120.00	_____
Custom Chemical App	200.00	Acre	\$ 10.00	\$ 2,000.00	\$ 10.00	_____
Custom Spread and Fert	200.00	Acre	\$ 5.00	\$ 1,000.00	\$ 5.00	_____
Testing (Soil & Forage)	1.00	Annual	\$ 200.00	\$ 200.00	\$ 1.00	_____
Irrigation	1.00	Annual	\$ 5,000.00	\$ 5,000.00	\$ 25.00	_____
Labor	200.00	Acre	\$ 20.00	\$ 4,000.00	\$ 20.00	_____
Operator Labor	200.00	Acre	\$ 75.00	\$ 15,000.00	\$ 75.00	_____
Fuel & Lube	1.00	Annual	\$ 9,450.94	\$ 9,450.94	\$ 47.25	_____
Maintenance	1.00	Annual	\$ 9,534.57	\$ 9,534.57	\$ 47.67	_____
Miscellaneous	200.00	Acre	\$ 5.00	\$ 1,000.00	\$ 5.00	_____
<b>TOTAL OPERATING COSTS</b>				\$ 75,185.51	\$ 375.93	
<b>INCOME ABOVE OPERATING COSTS</b>				\$ 49,814.50	\$ 249.07	
<b>OWNERSHIP COSTS</b>						
<b>CASH OVERHEAD COSTS</b>						
Liability/Crop Insurance				\$ 3,500.00	\$ 17.50	_____
Accounting & Legal				\$ 1,300.00	\$ 6.50	_____
Office & Travel				\$ 3,250.00	\$ 16.25	_____
Annual Investment Insurance				\$ 1,208.04	\$ 6.04	_____
Annual Investment Taxes				\$ 220.00	\$ 1.10	_____
<b>TOTAL CASH OVERHEAD COSTS</b>				\$ 9,478.04	\$ 47.39	
<b>NONCASH OVERHEAD COSTS (Capital Recovery)</b>						
Buildings, Improvements, & Equipment				\$ 11,411.09	\$ 57.06	_____
Machinery & Vehicles				\$ 25,494.10	\$ 127.47	_____
<b>TOTAL NONCASH OVERHEAD COSTS</b>				\$ 36,905.19	\$ 184.53	
<b>TOTAL OWNERSHIP COSTS</b>				\$ 46,383.23	\$ 231.92	
<b>TOTAL COSTS</b>				\$ 121,568.74	\$ 607.84	
<b>NET PROJECTED RETURNS</b>				\$ 3,431.26	\$ 17.16	

**Table 3: Alfalfa Hay Production Investment Summary.**

Description	Purchase Price	Percentage Use	Purchase Price	Useful Life (Yrs)	Salvage Value	Annual Capital Recovery	Annual Insurance	Annual Taxes	Annual Repairs	Annual Fuel & Lube
<b>Buildings, Improvements, and Equipment</b>										
Land	\$ 1,400,000.00	50%	\$ 700,000.00	150.00	\$ 700,000.00	\$ -	\$ -	TBD	\$ -	\$ -
Machine Shop	\$ 80,000.00	50%	\$ 40,000.00	40.00	\$ 4,000.00	\$ 900.00	\$ 146.52	\$ 220.00	\$ 440.00	\$ -
Irrigation System (Wheel Line)	\$ 65,000.00	100%	\$ 65,000.00	25.00	\$ 6,500.00	\$ 2,340.00	\$ 238.10	\$ -	\$ 715.00	\$ -
Implements	\$ 20,000.00	50%	\$ 10,000.00	15.00	\$ 1,000.00	\$ 600.00	\$ 36.63	\$ -	\$ 110.00	\$ -
Alfalfa Establishment	\$ 52,997.64	100%	\$ 52,997.64	7.00	\$ -	\$ 7,571.09	\$ -	\$ -	\$ -	\$ -
Sub Total Pre-Establishment	\$ 1,565,000.00		\$ 815,000.00		\$ 711,500.00	\$ 3,840.00	\$ 421.25	\$ 220.00	\$ 1,265.00	\$ -
Sub Total Post-Establishment	\$ 1,617,997.64		\$ 867,997.64		\$ 711,500.00	\$ 11,411.09	\$ 421.25	\$ 220.00	\$ 1,265.00	\$ -
<b>Machinery and Vehicles</b>										
185 HP Tractor (used)	\$ 76,000.00	50%	\$ 38,000.00	10.00	\$ 3,800.00	\$ 3,420.00	\$ 139.19	\$ -	\$ 1,463.00	\$ 1,672.00
125 HP Tractor (used)	\$ 46,000.00	50%	\$ 23,000.00	10.00	\$ 2,300.00	\$ 2,070.00	\$ 84.25	\$ -	\$ 885.50	\$ 1,012.00
85 HP Tractor (used)	\$ 26,000.00	50%	\$ 13,000.00	10.00	\$ 1,300.00	\$ 1,170.00	\$ 47.62	\$ -	\$ 500.50	\$ 572.00
2 Ton Flatbed (used)	\$ 15,000.00	50%	\$ 7,500.00	10.00	\$ 750.00	\$ 675.00	\$ 27.47	\$ -	\$ 288.75	\$ 330.00
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	66%	\$ 23,100.00	7.00	\$ 2,310.00	\$ 2,970.00	\$ 84.62	\$ -	\$ 889.35	\$ 1,016.40
Harrow (used)	\$ 20,000.00	66%	\$ 13,200.00	7.00	\$ 1,320.00	\$ 1,697.14	\$ 48.35	\$ -	\$ 508.20	\$ 580.80
Hydraulic Rake	\$ 15,900.00	66%	\$ 10,494.00	10.00	\$ 1,049.40	\$ 944.46	\$ 38.44	\$ -	\$ 404.02	\$ 461.74
4-Wheeler (2)	\$ 20,000.00	50%	\$ 10,000.00	5.00	\$ 1,000.00	\$ 1,800.00	\$ 36.63	\$ -	\$ 385.00	\$ 440.00
Backhoe (used)	\$ 18,000.00	50%	\$ 9,000.00	10.00	\$ 900.00	\$ 810.00	\$ 32.97	\$ -	\$ 346.50	\$ 396.00
3/4 Ton Pickup (used)	\$ 15,000.00	50%	\$ 7,500.00	4.00	\$ 750.00	\$ 1,687.50	\$ 27.47	\$ -	\$ 288.75	\$ 330.00
1 Ton Pickup	\$ 50,000.00	50%	\$ 25,000.00	6.00	\$ 2,500.00	\$ 3,750.00	\$ 91.58	\$ -	\$ 962.50	\$ 1,100.00
Sub Total			\$ 214,794.00		\$ 21,479.40	\$ 25,494.10	\$ 786.79	\$ -	\$ 8,269.57	\$ 9,450.94
<b>Total</b>			<b>\$ 1,082,791.64</b>		<b>\$ 732,979.40</b>	<b>\$ 36,905.19</b>	<b>\$ 1,208.04</b>	<b>\$ 220.00</b>	<b>\$ 9,534.57</b>	<b>\$ 9,450.94</b>

**Table 4: Duchesne County Barley Production Costs and Returns, 100 acres, 2011.**

	Total Units	Unit	Price/Cost Per Unit	Total Cost/Value	Total Cost/Value Per Acre	Your Farm
<b>GROSS INCOME</b>						
Barley	100.00	Bushels	\$ 3.48	\$ 34,800.00	\$ 348.00	_____
Straw	2.00	Ton	\$ 50.00	\$ 10,000.00	\$ 100.00	_____
<b>TOTAL GROSS INCOME</b>				<b>\$ 44,800.00</b>	<b>\$ 448.00</b>	
<b>OPERATING COSTS</b>						
Herbicide	100.00	Acre	\$ 20.00	\$ 2,000.00	\$ 20.00	_____
Fertilizer	100.00	Acre	\$ 50.00	\$ 5,000.00	\$ 50.00	_____
Custom Fertilizer Application	100.00	Acre	\$ 5.00	\$ 500.00	\$ 5.00	_____
Custom Combine	100.00	Acre	\$ 30.00	\$ 3,000.00	\$ 30.00	_____
Seed	100.00	Acre	\$ 20.00	\$ 2,000.00	\$ 20.00	_____
Irrigation	1.00	Annual	\$ 2,500.00	\$ 2,500.00	\$ 25.00	_____
Labor	100.00	Acre	\$ 20.00	\$ 2,000.00	\$ 20.00	_____
Operator Labor	100.00	Acre	\$ 75.00	\$ 7,500.00	\$ 75.00	_____
Fuel & Lube	1.00	Annual	\$ 3,986.66	\$ 3,986.66	\$ 39.87	_____
Maintenance	1.00	Annual	\$ 4,016.33	\$ 4,016.33	\$ 40.16	_____
Miscellaneous	100.00	Acre	\$ 5.00	\$ 500.00	\$ 5.00	_____
<b>TOTAL OPERATING COSTS</b>				<b>\$ 33,003.00</b>	<b>\$ 330.03</b>	
<b>INCOME ABOVE OPERATING COSTS</b>				<b>\$ 11,797.01</b>	<b>\$ 117.97</b>	
<b>OWNERSHIP COSTS</b>						
<b>CASH OVERHEAD COSTS</b>						
Liability/Crop Insurance				\$ 1,750.00	\$ 17.50	_____
Accounting & Legal				\$ 650.00	\$ 6.50	_____
Office & Travel				\$ 1,625.00	\$ 16.25	_____
Annual Investment Insurance				\$ 507.71	\$ 5.08	_____
Annual Investment Taxes				\$ 165.00	\$ 1.65	_____
<b>TOTAL CASH OVERHEAD COSTS</b>				<b>\$ 4,697.71</b>	<b>\$ 46.98</b>	
<b>NONCASH OVERHEAD COSTS (Capital Recovery)</b>						
Buildings, Improvements, & Equipment				\$ 1,308.00	\$ 13.08	_____
Machinery & Vehicles				\$ 10,582.08	\$ 105.82	_____
<b>TOTAL NONCASH OVERHEAD COSTS</b>				<b>\$ 11,890.08</b>	<b>\$ 118.90</b>	
<b>TOTAL OWNERSHIP COSTS</b>				<b>\$ 16,587.79</b>	<b>\$ 165.88</b>	
<b>TOTAL COSTS</b>				<b>\$ 49,590.78</b>	<b>\$ 495.91</b>	
<b>NET PROJECTED RETURNS</b>				<b>\$ (4,790.78)</b>	<b>\$ (47.91)</b>	

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

Description	Purchase Price	Percentage Use	Purchase Price	Useful Life (Yrs)	Salvage Value	Annual Capital Recovery	Annual Insurance	Annual Taxes	Annual Repairs	Annual Fuel & Lube
<b>Buildings, Improvements, and Equipment</b>										
Land	\$ 1,400,000.00	25%	\$ 350,000.00	150.00	\$ 350,000.00	\$ -	\$ -	TBD	\$ -	\$ -
Machine Shop	\$ 80,000.00	25%	\$ 20,000.00	50.00	\$ 2,000.00	\$ 360.00	\$ 73.26	\$ 110.00	\$ 220.00	\$ -
Grain Bin	\$ 10,000.00	100%	\$ 10,000.00	50.00	\$ 1,000.00	\$ 180.00	\$ 36.63	\$ 55.00	\$ 110.00	\$ -
Irrigation System (Wheel Line)	\$ 13,000.00	100%	\$ 13,000.00	25.00	\$ 1,300.00	\$ 468.00	\$ 47.62	\$ -	\$ 143.00	\$ -
Implements	\$ 20,000.00	25%	\$ 5,000.00	15.00	\$ 500.00	\$ 300.00	\$ 18.32	\$ -	\$ 55.00	\$ -
Sub Total			\$ 393,000.00	NA	\$ 354,800.00	\$ 1,308.00	\$ 175.82	\$ 165.00	\$ 528.00	\$ -
<b>Machinery and Vehicles</b>										
185 HP Tractor (used)	\$ 76,000.00	25%	\$ 19,000.00	10.00	\$ 1,900.00	\$ 1,710.00	\$ 69.60	\$ -	\$ 731.50	\$ 836.00
125 HP Tractor (used)	\$ 46,000.00	25%	\$ 11,500.00	10.00	\$ 1,150.00	\$ 1,035.00	\$ 42.12	\$ -	\$ 442.75	\$ 506.00
85 HP Tractor (used)	\$ 26,000.00	25%	\$ 6,500.00	10.00	\$ 650.00	\$ 585.00	\$ 23.81	\$ -	\$ 250.25	\$ 286.00
2 Ton Flatbed (used)	\$ 15,000.00	25%	\$ 3,750.00	10.00	\$ 375.00	\$ 337.50	\$ 13.74	\$ -	\$ 144.38	\$ 165.00
Swather (used)	\$ 35,000.00	0%	\$ -	7.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Baler (32X34) (used)	\$ 35,000.00	34%	\$ 11,900.00	7.00	\$ 1,190.00	\$ 1,530.00	\$ 43.59	\$ -	\$ 458.15	\$ 523.60
Harrow (used)	\$ 20,000.00	34%	\$ 6,800.00	7.00	\$ 680.00	\$ 874.29	\$ 24.91	\$ -	\$ 261.80	\$ 299.20
Hydraulic Rake	\$ 15,900.00	34%	\$ 5,406.00	10.00	\$ 540.60	\$ 486.54	\$ 19.80	\$ -	\$ 208.13	\$ 237.86
4-Wheeler (2)	\$ 20,000.00	25%	\$ 5,000.00	5.00	\$ 500.00	\$ 900.00	\$ 18.32	\$ -	\$ 192.50	\$ 220.00
Backhoe (used)	\$ 18,000.00	25%	\$ 4,500.00	10.00	\$ 450.00	\$ 405.00	\$ 16.48	\$ -	\$ 173.25	\$ 198.00
3/4 Ton Pickup (used)	\$ 15,000.00	25%	\$ 3,750.00	4.00	\$ 375.00	\$ 843.75	\$ 13.74	\$ -	\$ 144.38	\$ 165.00
1 Ton Pickup	\$ 50,000.00	25%	\$ 12,500.00	6.00	\$ 1,250.00	\$ 1,875.00	\$ 45.79	\$ -	\$ 481.25	\$ 550.00
Sub Total			\$ 90,606.00	NA	\$ 9,060.60	\$ 10,582.08	\$ 331.89	\$ -	\$ 3,488.33	\$ 3,986.66
<b>Total</b>			<b>\$ 483,606.00</b>	<b>NA</b>	<b>\$ 363,860.60</b>	<b>\$ 11,890.08</b>	<b>\$ 507.71</b>	<b>\$ 165.00</b>	<b>\$ 4,016.33</b>	<b>\$ 3,986.66</b>

**Table 6: Duchesne County Corn Silage (Pivot) Production Costs and Returns, 100 acres, 2011.**

	<b>Total Units</b>	<b>Unit</b>	<b>Price/Cost Per Unit</b>	<b>Total Cost/Value</b>	<b>Total Cost/Value Per Acre</b>	<b>Your Farm</b>
<b>GROSS INCOME</b>						
Corn Silage	25.00	Tons	\$ 34.60	\$ 86,500.00	\$ 865.00	_____
<b>TOTAL GROSS INCOME</b>				<b>\$ 86,500.00</b>	<b>\$ 865.00</b>	
<b>OPERATING COSTS</b>						
Insecticide	100.00	Acre	\$ -	\$ -	\$ -	_____
Herbicide	100.00	Acre	\$ 20.00	\$ 2,000.00	\$ 20.00	_____
Fertilizer	100.00	Acre	\$ 300.00	\$ 30,000.00	\$ 300.00	_____
Custom Harvest	100.00	Acre	\$ 325.00	\$ 32,500.00	\$ 325.00	_____
Testing (Soil)	1.00	Annual	\$ 100.00	\$ 100.00	\$ 1.00	_____
Seed	100.00	Acre	\$ 90.00	\$ 9,000.00	\$ 90.00	_____
Irrigation	1.00	Annual	\$ 2,500.00	\$ 2,500.00	\$ 25.00	_____
Labor	100.00	Acre	\$ 20.00	\$ 2,000.00	\$ 20.00	_____
Operator Labor	100.00	Acre	\$ 75.00	\$ 7,500.00	\$ 75.00	_____
Fuel & Lube	1.00	Annual	\$ 2,926.00	\$ 2,926.00	\$ 29.26	_____
Maintenance	1.00	Annual	\$ 4,660.25	\$ 4,660.25	\$ 46.60	_____
Miscellaneous	100.00	Acre	\$ 5.00	\$ 500.00	\$ 5.00	_____
<b>TOTAL OPERATING COSTS</b>				<b>\$ 93,686.25</b>	<b>\$ 936.86</b>	
<b>INCOME ABOVE OPERATING COSTS</b>				<b>\$ (7,186.25)</b>	<b>\$ (71.86)</b>	
<b>OWNERSHIP COSTS</b>						
<b>CASH OVERHEAD COSTS</b>						
Liability/Crop Insurance				\$ 880.00	\$ 8.80	_____
Accounting & Legal				\$ 1,320.00	\$ 13.20	_____
Office & Travel				\$ 1,760.00	\$ 17.60	_____
Annual Investment Insurance				\$ 942.89	\$ 9.43	_____
Annual Investment Taxes				\$ 610.00	\$ 6.10	_____
<b>TOTAL CASH OVERHEAD COSTS</b>				<b>\$ 5,512.89</b>	<b>\$ 55.13</b>	
<b>NONCASH OVERHEAD COSTS (Capital Recovery)</b>						
Buildings, Improvements, & Equipment				\$ 5,450.00	\$ 54.50	_____
Machinery & Vehicles				\$ 7,691.25	\$ 76.91	_____
<b>TOTAL NONCASH OVERHEAD COSTS</b>				<b>\$ 13,141.25</b>	<b>\$ 131.41</b>	
<b>TOTAL OWNERSHIP COSTS</b>				<b>\$ 18,654.14</b>	<b>\$ 186.54</b>	
<b>TOTAL COSTS</b>				<b>\$112,340.39</b>	<b>\$ 1,123.40</b>	
<b>NET PROJECTED RETURNS</b>				<b>\$ (25,840.39)</b>	<b>\$ (258.40)</b>	



**Table 7: Corn (Silage) Production Investment Summary.**

Description	Purchase Price	Percentage Use	Purchase Price	Useful Life (Yrs)	Salvage Value	Annual Capital Recovery	Annual Insurance	Annual Taxes	Annual Repairs	Annual Fuel & Lube
<b>Buildings, Improvements, and Equipment</b>										
Land	\$ 1,400,000.00	25%	\$ 350,000.00	150.00	\$ 350,000.00	\$ -	\$ -	TBD	\$ -	\$ -
Machine Shop	\$ 80,000.00	25%	\$ 20,000.00	40.00	\$ 2,000.00	\$ 450.00	\$ 73.26	\$ 110.00	\$ 220.00	\$ -
Silage Pit (60X200X12)	\$ 100,000.00	100%	\$ 100,000.00	50.00	\$ -	\$ 2,000.00	\$ 333.00	\$ 500.00	\$ 1,000.00	\$ -
Irrigation System (3/4 Pivot)	\$ 75,000.00	100%	\$ 75,000.00	25.00	\$ 7,500.00	\$ 2,700.00	\$ 274.73	\$ -	\$ 825.00	\$ -
Implements	\$ 20,000.00	25%	\$ 5,000.00	15.00	\$ 500.00	\$ 300.00	\$ 18.32	\$ -	\$ 55.00	\$ -
Sub Total			\$ 550,000.00	NA	\$ 360,000.00	\$ 5,450.00	\$ 699.30	\$ 610.00	\$ 2,100.00	\$ -
<b>Machinery and Vehicles</b>										
185 HP Tractor (used)	\$ 76,000.00	25%	\$ 19,000.00	10.00	\$ 1,900.00	\$ 1,710.00	\$ 69.60	\$ -	\$ 731.50	\$ 836.00
125 HP Tractor (used)	\$ 46,000.00	25%	\$ 11,500.00	10.00	\$ 1,150.00	\$ 1,035.00	\$ 42.12	\$ -	\$ 442.75	\$ 506.00
85 HP Tractor (used)	\$ 26,000.00	25%	\$ 6,500.00	10.00	\$ 650.00	\$ 585.00	\$ 23.81	\$ -	\$ 250.25	\$ 286.00
2 Ton Flatbed (used)	\$ 15,000.00	25%	\$ 3,750.00	10.00	\$ 375.00	\$ 337.50	\$ 13.74	\$ -	\$ 144.38	\$ 165.00
Swather (used)	\$ 35,000.00	0%	\$ -	7.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Baler (32X34) (used)	\$ 35,000.00	0%	\$ -	7.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Harrow (used)	\$ 20,000.00	0%	\$ -	7.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Hydraulic Rake	\$ 15,900.00	0%	\$ -	10.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4-Wheeler (2)	\$ 20,000.00	25%	\$ 5,000.00	5.00	\$ 500.00	\$ 900.00	\$ 18.32	\$ -	\$ 192.50	\$ 220.00
Backhoe (used)	\$ 18,000.00	25%	\$ 4,500.00	10.00	\$ 450.00	\$ 405.00	\$ 16.48	\$ -	\$ 173.25	\$ 198.00
3/4 Ton Pickup (used)	\$ 15,000.00	25%	\$ 3,750.00	4.00	\$ 375.00	\$ 843.75	\$ 13.74	\$ -	\$ 144.38	\$ 165.00
1 Ton Pickup	\$ 50,000.00	25%	\$ 12,500.00	6.00	\$ 1,250.00	\$ 1,875.00	\$ 45.79	\$ -	\$ 481.25	\$ 550.00
Sub Total			\$ 66,500.00	NA	\$ 6,650.00	\$ 7,691.25	\$ 243.59	\$ -	\$ 2,560.25	\$ 2,926.00
<b>Total</b>			<b>\$ 616,500.00</b>	<b>NA</b>	<b>\$ 366,650.00</b>	<b>\$13,141.25</b>	<b>\$ 942.89</b>	<b>\$ 610.00</b>	<b>\$ 4,660.25</b>	<b>\$ 2,926.00</b>

**Table 8: Duchesne County Oat Production Costs and Returns, 50 acres, 2011.**

	Total Units	Unit	Price/Cost Per Unit	Total Cost/Value	Total Cost/Value Per Acre	Your Farm
<b>GROSS INCOME</b>						
Oats	80.00	Bushels	\$ 2.88	\$ 23,040.00	\$ 230.40	_____
Straw	2.00	Ton	\$ 50.00	\$ 10,000.00	\$ 100.00	_____
<b>TOTAL GROSS INCOME</b>				\$ 33,040.00	\$ 330.40	
<b>OPERATING COSTS</b>						
Herbicide	100.00	Acre	\$ 8.00	\$ 800.00	\$ 8.00	_____
Custom Chemical Application	100.00	Acre	\$ 10.00	\$ 1,000.00	\$ 10.00	_____
Custom Combine	100.00	Acre	\$ 30.00	\$ 3,000.00	\$ 30.00	_____
Seed	100.00	Acre	\$ 18.00	\$ 1,800.00	\$ 18.00	_____
Irrigation	1.00	Annual	\$ 1,250.00	\$ 1,250.00	\$ 12.50	_____
Labor	100.00	Acre	\$ 20.00	\$ 2,000.00	\$ 20.00	_____
Operator Labor	100.00	Acre	\$ 75.00	\$ 7,500.00	\$ 75.00	_____
Fuel & Lube	1.00	Annual	\$ 1,463.00	\$ 1,463.00	\$ 14.63	_____
Maintenance	1.00	Annual	\$ 1,560.63	\$ 1,560.63	\$ 15.61	_____
Miscellaneous	100.00	Acre	\$ 5.00	\$ 500.00	\$ 5.00	_____
<b>TOTAL OPERATING COSTS</b>				\$ 20,873.63	\$ 208.74	
<b>INCOME ABOVE OPERATING COSTS</b>				\$ 12,166.38	\$ 121.66	
<b>OWNERSHIP COSTS</b>						
<b>CASH OVERHEAD COSTS</b>						
Liability/Crop Insurance				\$ 875.00	\$ 8.75	_____
Accounting & Legal				\$ 325.00	\$ 3.25	_____
Office & Travel				\$ 812.00	\$ 8.12	_____
Annual Investment Insurance				\$ 215.20	\$ 2.15	_____
Annual Investment Taxes				\$ 55.00	\$ 0.55	_____
<b>TOTAL CASH OVERHEAD COSTS</b>				\$ 2,282.20	\$ 22.82	
<b>NONCASH OVERHEAD COSTS (Capital Recovery)</b>						
Buildings, Improvements, & Equipment				\$ 798.00	\$ 7.98	_____
Machinery & Vehicles				\$ 3,845.63	\$ 38.46	_____
<b>TOTAL NONCASH OVERHEAD COSTS</b>				\$ 4,643.63	\$ 46.44	
<b>TOTAL OWNERSHIP COSTS</b>				\$ 6,925.83	\$ 69.26	
<b>TOTAL COSTS</b>				\$ 27,799.45	\$ 277.99	
<b>NET PROJECTED RETURNS</b>				\$ 5,240.55	\$ 52.41	

**Table 9: Oat Production Investment Summary.**

Description	Purchase Price	Percentage Use	Purchase Price	Useful Life (Yrs)	Salvage Value	Annual Capital Recovery	Annual Insurance	Annual Taxes	Annual Repairs	Annual Fuel & Lube
<b>Buildings, Improvements, and Equipment</b>										
Land	\$ 1,400,000.00	12.5%	\$ 175,000.00	150.00	\$ 175,000.00	\$ -	\$ -	TBD	\$ -	\$ -
Machine Shop	\$ 80,000.00	12.5%	\$ 10,000.00	50.00	\$ 1,000.00	\$ 180.00	\$ 36.63	\$ 55.00	\$ 110.00	\$ -
Grain Bin	\$ 10,000.00	0.0%	\$ -	50.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Irrigation System (Wheel Line)	\$ 13,000.00	100.0%	\$ 13,000.00	25.00	\$ 1,300.00	\$ 468.00	\$ 47.62	\$ -	\$ 143.00	\$ -
Implements	\$ 20,000.00	12.5%	\$ 2,500.00	15.00	\$ 250.00	\$ 150.00	\$ 9.16	\$ -	\$ 27.50	\$ -
Sub Total			\$ 198,000.00	NA	\$ 177,550.00	\$ 798.00	\$ 93.41	\$ 55.00	\$ 280.50	\$ -
<b>Machinery and Vehicles</b>										
185 HP Tractor (used)	\$ 76,000.00	12.5%	\$ 9,500.00	10.00	\$ 950.00	\$ 855.00	\$ 34.80	\$ -	\$ 365.75	\$ 418.00
125 HP Tractor (used)	\$ 46,000.00	12.5%	\$ 5,750.00	10.00	\$ 575.00	\$ 517.50	\$ 21.06	\$ -	\$ 221.38	\$ 253.00
85 HP Tractor (used)	\$ 26,000.00	12.5%	\$ 3,250.00	10.00	\$ 325.00	\$ 292.50	\$ 11.90	\$ -	\$ 125.13	\$ 143.00
2 Ton Flatbed (used)	\$ 15,000.00	12.5%	\$ 1,875.00	10.00	\$ 187.50	\$ 168.75	\$ 6.87	\$ -	\$ 72.19	\$ 82.50
Sw ather (used)	\$ 35,000.00	0.0%	\$ -	7.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Baler (32X34) (used)	\$ 35,000.00	0.0%	\$ -	7.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Harrow (used)	\$ 20,000.00	0.0%	\$ -	7.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Hydraulic Rake	\$ 15,900.00	0.0%	\$ -	10.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4-Wheeler (2)	\$ 20,000.00	12.5%	\$ 2,500.00	5.00	\$ 250.00	\$ 450.00	\$ 9.16	\$ -	\$ 96.25	\$ 110.00
Backhoe (used)	\$ 18,000.00	12.5%	\$ 2,250.00	10.00	\$ 225.00	\$ 202.50	\$ 8.24	\$ -	\$ 86.63	\$ 99.00
3/4 Ton Pickup (used)	\$ 15,000.00	12.5%	\$ 1,875.00	4.00	\$ 187.50	\$ 421.88	\$ 6.87	\$ -	\$ 72.19	\$ 82.50
1 Ton Pickup	\$ 50,000.00	12.5%	\$ 6,250.00	6.00	\$ 625.00	\$ 937.50	\$ 22.89	\$ -	\$ 240.63	\$ 275.00
Sub Total			\$ 33,250.00	NA	\$ 3,325.00	\$ 3,845.63	\$ 121.79	\$ -	\$ 1,280.13	\$ 1,463.00
<b>Total</b>			<b>\$ 231,250.00</b>	<b>NA</b>	<b>\$ 180,875.00</b>	<b>\$ 4,643.63</b>	<b>\$ 215.20</b>	<b>\$ 55.00</b>	<b>\$ 1,560.63</b>	<b>\$ 1,463.00</b>

**Table 10: Duchesne County Wheat Production Costs and Returns, 50 acres, 2011.**

	<b>Total Units</b>	<b>Unit</b>	<b>Price/Cost Per Unit</b>	<b>Total Cost/Value</b>	<b>Total Cost/Value Per Acre</b>	<b>Your Farm</b>
<b>GROSS INCOME</b>						
Wheat	80.00	Bushels	\$ 6.90	\$ 27,600.00	\$ 552.00	_____
<b>TOTAL GROSS INCOME</b>				<b>\$ 27,600.00</b>	<b>\$ 552.00</b>	
<b>OPERATING COSTS</b>						
Insecticide	50.00	Acre	\$ -	\$ -	\$ -	_____
Herbicide	50.00	Acre	\$ 8.00	\$ 400.00	\$ 8.00	_____
Fertilizer	50.00	Acre	\$ 50.00	\$ 2,500.00	\$ 50.00	_____
Custom Harvest/Haul	50.00	Acre	\$ 75.00	\$ 3,750.00	\$ 75.00	_____
Custom Chemical	50.00	Acre	\$ 15.00	\$ 750.00	\$ 15.00	_____
Seed	50.00	Acre	\$ 15.00	\$ 750.00	\$ 15.00	_____
Irrigation	1.00	Annual	\$ 1,250.00	\$ 1,250.00	\$ 25.00	_____
Labor	50.00	Acre	\$ 20.00	\$ 1,000.00	\$ 20.00	_____
Operator Labor	50.00	Acre	\$ 75.00	\$ 3,750.00	\$ 75.00	_____
Fuel & Lube	1.00	Annual	\$ 1,463.00	\$ 1,463.00	\$ 29.26	_____
Maintenance	1.00	Annual	\$ 1,560.63	\$ 1,560.63	\$ 31.21	_____
Miscellaneous	50.00	Acre	\$ 5.00	\$ 250.00	\$ 5.00	_____
<b>TOTAL OPERATING COSTS</b>				<b>\$ 17,423.63</b>	<b>\$ 348.47</b>	
<b>INCOME ABOVE OPERATING COSTS</b>				<b>\$ 10,176.38</b>	<b>\$ 203.53</b>	
<b>OWNERSHIP COSTS</b>						
<b>CASH OVERHEAD COSTS</b>						
Liability/Crop Insurance				\$ 875.00	\$ 17.50	_____
Accounting & Legal				\$ 325.00	\$ 6.50	_____
Office & Travel				\$ 812.00	\$ 16.24	_____
Annual Investment Insurance				\$ 215.20	\$ 4.30	_____
Annual Investment Taxes				\$ 55.00	\$ 1.10	_____
<b>TOTAL CASH OVERHEAD COSTS</b>				<b>\$ 2,282.20</b>	<b>\$ 45.64</b>	
<b>NONCASH OVERHEAD COSTS (Capital Recovery)</b>						
Buildings, Improvements, & Equipment				\$ 798.00	\$ 15.96	_____
Machinery & Vehicles				\$ 3,845.63	\$ 76.91	_____
<b>TOTAL NONCASH OVERHEAD COSTS</b>				<b>\$ 4,643.63</b>	<b>\$ 92.87</b>	
<b>TOTAL OWNERSHIP COSTS</b>				<b>\$ 6,925.83</b>	<b>\$ 138.52</b>	
<b>TOTAL COSTS</b>				<b>\$ 24,349.45</b>	<b>\$ 486.99</b>	
<b>NET PROJECTED RETURNS</b>				<b>\$ 3,250.55</b>	<b>\$ 65.01</b>	

**Table 11: Wheat Production Investment Summary.**

Description	Purchase Price	Percentage Use	Purchase Price	Useful Life (Yrs)	Salvage Value	Annual Capital Recovery	Annual Insurance	Annual Taxes	Annual Repairs	Annual Fuel & Lube
<b>Buildings, Improvements, and Equipment</b>										
Land	\$ 1,400,000.00	12.5%	\$ 175,000.00	150.00	\$ 175,000.00	\$ -	\$ -	TBD	\$ -	\$ -
Machine Shop	\$ 80,000.00	12.5%	\$ 10,000.00	50.00	\$ 1,000.00	\$ 180.00	\$ 36.63	\$ 55.00	\$ 110.00	\$ -
Grain Bin	\$ 10,000.00	0.0%	\$ -	50.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Irrigation System (Wheel Line)	\$ 13,000.00	100.0%	\$ 13,000.00	25.00	\$ 1,300.00	\$ 468.00	\$ 47.62	\$ -	\$ 143.00	\$ -
Implements	\$ 20,000.00	12.5%	\$ 2,500.00	15.00	\$ 250.00	\$ 150.00	\$ 9.16	\$ -	\$ 27.50	\$ -
Sub Total			\$ 200,500.00	NA	\$ 177,550.00	\$ 798.00	\$ 93.41	\$ 55.00	\$ 280.50	\$ -
<b>Machinery and Vehicles</b>										
185 HP Tractor (used)	\$ 76,000.00	12.5%	\$ 9,500.00	10.00	\$ 950.00	\$ 855.00	\$ 34.80	\$ -	\$ 365.75	\$ 418.00
125 HP Tractor (used)	\$ 46,000.00	12.5%	\$ 5,750.00	10.00	\$ 575.00	\$ 517.50	\$ 21.06	\$ -	\$ 221.38	\$ 253.00
85 HP Tractor (used)	\$ 26,000.00	12.5%	\$ 3,250.00	10.00	\$ 325.00	\$ 292.50	\$ 11.90	\$ -	\$ 125.13	\$ 143.00
2 Ton Flatbed (used)	\$ 15,000.00	12.5%	\$ 1,875.00	10.00	\$ 187.50	\$ 168.75	\$ 6.87	\$ -	\$ 72.19	\$ 82.50
Sw ather (used)	\$ 35,000.00	0.0%	\$ -	7.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Baler (32X34) (used)	\$ 35,000.00	0.0%	\$ -	7.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Harrow (used)	\$ 20,000.00	0.0%	\$ -	7.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Hydraulic Rake	\$ 15,900.00	0.0%	\$ -	10.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
4-Wheeler (2)	\$ 20,000.00	12.5%	\$ 2,500.00	5.00	\$ 250.00	\$ 450.00	\$ 9.16	\$ -	\$ 96.25	\$ 110.00
Backhoe (used)	\$ 18,000.00	12.5%	\$ 2,250.00	10.00	\$ 225.00	\$ 202.50	\$ 8.24	\$ -	\$ 86.63	\$ 99.00
3/4 Ton Pickup (used)	\$ 15,000.00	12.5%	\$ 1,875.00	4.00	\$ 187.50	\$ 421.88	\$ 6.87	\$ -	\$ 72.19	\$ 82.50
1 Ton Pickup	\$ 50,000.00	12.5%	\$ 6,250.00	6.00	\$ 625.00	\$ 937.50	\$ 22.89	\$ -	\$ 240.63	\$ 275.00
Sub Total			\$ 33,250.00	NA	\$ 3,325.00	\$ 3,845.63	\$ 121.79	\$ -	\$ 1,280.13	\$ 1,463.00
<b>Total</b>			<b>\$ 233,750.00</b>	<b>NA</b>	<b>\$ 180,875.00</b>	<b>\$ 4,643.63</b>	<b>\$ 215.20</b>	<b>\$ 55.00</b>	<b>\$ 1,560.63</b>	<b>\$ 1,463.00</b>