

**BT CORN, STRIP TILLAGE, ONE PASS, IRRIGATED
SOUTH GEORGIA, 2007**

ESTIMATED COSTS AND RETURNS

Expected Yield

185 Bushels

YIELD: YOUR FARM _____

| VARIABLE COSTS | Unit | Number of | | \$/Unit | Cost/Acre | \$/Bushels | Your Farm |
|-------------------------------|---------|-----------|----|---------|------------------|----------------|-----------|
| | | Units | | | | | |
| Seed | Thous. | 30.00 | \$ | 1.50 | \$ 45.00 | \$ 0.24 | _____ |
| Cover Crop Seed | Bushel | 5.00 | \$ | 2.00 | \$ 10.00 | \$ 0.05 | _____ |
| Lime | Tons | 0.50 | \$ | 28.00 | \$ 14.00 | \$ 0.08 | _____ |
| Fertilizer | | | | | | | |
| Nitrogen | Lbs | 225.00 | \$ | 0.43 | \$ 96.75 | \$ 0.52 | _____ |
| Phospate (P2O5) | Lbs | 90.00 | \$ | 0.31 | \$ 27.90 | \$ 0.15 | _____ |
| Potash (K2O) | Lbs | 125.00 | \$ | 0.23 | \$ 28.75 | \$ 0.16 | _____ |
| Weed Control | Acre | 1.00 | \$ | 24.82 | \$ 24.82 | \$ 0.13 | _____ |
| Insect Control | Acre | 1.00 | \$ | 7.00 | \$ 7.00 | \$ 0.04 | _____ |
| Disease Control | Acre | 1.00 | \$ | - | \$ - | \$ - | _____ |
| <i>Machinery: Preharvest</i> | | | | | | | |
| Fuel | Gallon | 3.19 | \$ | 2.25 | \$ 7.18 | \$ 0.04 | _____ |
| Repairs & Maintenance | Acre | 1.00 | \$ | 4.71 | \$ 4.71 | \$ 0.03 | _____ |
| <i>Machinery: Harvest</i> | | | | | | | |
| Fuel | Gallon | 2.65 | \$ | 2.25 | \$ 5.96 | \$ 0.03 | _____ |
| Repairs & Maintenance | Acre | 1.00 | \$ | 3.66 | \$ 3.66 | \$ 0.02 | _____ |
| Irrigation* | Inch | 8.00 | \$ | 10.50 | \$ 84.00 | \$ 0.45 | _____ |
| Labor | Hrs | 0.81 | \$ | 10.00 | \$ 8.12 | \$ 0.04 | _____ |
| Crop Insurance | Acre | 1.00 | \$ | 9.00 | \$ 9.00 | \$ 0.05 | _____ |
| Land Rental | Acre | 1.00 | | | \$ - | \$ - | _____ |
| Interest on Operating capital | Percent | \$ 188.43 | | 8.00% | \$ 15.07 | \$ 0.08 | _____ |
| Drying - 8 points | Bushel | 203.44 | \$ | 0.28 | \$ 56.96 | \$ 0.31 | _____ |
| Total Variable Costs | | | | | \$ 448.89 | \$ 2.43 | |

Fixed Costs:

| | | | | | | | |
|---|---------|-----------|----|-------|------------------|----------------|-------|
| <i>Machinery: Depreciation, Taxes, Insurance, and Housing</i> | | | | | | | |
| Preharvest | Acre | 1.00 | \$ | 12.22 | \$ 12.22 | \$ 0.07 | _____ |
| Harvest | Acre | 1.00 | \$ | 23.66 | \$ 23.66 | \$ 0.13 | _____ |
| General Overhead | % of VC | \$ 448.89 | | 5.00% | \$ 22.44 | \$ 0.12 | _____ |
| Management | % of VC | \$ 448.89 | | 5.00% | \$ 22.44 | \$ 0.12 | _____ |
| Irrigation | Acre | 1.00 | | 90.00 | \$ 90.00 | \$ 0.49 | _____ |
| Owned Land Costs; Taxes, Cash Payment, Etc. | Acre | 1.00 | \$ | - | \$ - | \$ - | _____ |
| Other _____ | | | | | | | |
| Total Fixed Costs | | | | | \$ 170.77 | \$ 0.92 | |

TOTAL COSTS AND PROFIT GOAL

Total Costs Excluding Land **\$ 619.66** **\$ 3.35**

**** YOUR PROFIT GOAL **** \$ _____/Bu.

\$\$-PRICE NEEDED FOR PROFIT-\$\$ \$ _____/Bu.

*Irrigation application assumes use of diesel power unit. Electric power unit is estimated to be 60% of the cost of \$2.25 per gal diesel.

Sensitivity Analysis of BT CORN, STRIP TILLAGE, ONE PASS, IRRIGATED

| NET RETURNS ABOVE VARIABLE COSTS PER ACRE | | | | | | |
|---|------|------------|-----------|-----------|-----------|-----------|
| Varying Prices and Yield (Bushels) | | | | | | |
| | | -25% | -10% | Average | +10% | +25% |
| | | 138.75 | 166.5 | 185 | 203.5 | 231.25 |
| \$ | 3.00 | \$ (32.64) | \$ 50.61 | \$ 106.11 | \$ 161.61 | \$ 244.86 |
| \$ | 3.25 | \$ 2.04 | \$ 92.23 | \$ 152.36 | \$ 212.48 | \$ 302.67 |
| \$ | 3.50 | \$ 36.73 | \$ 133.86 | \$ 198.61 | \$ 263.36 | \$ 360.48 |
| \$ | 3.75 | \$ 71.42 | \$ 175.48 | \$ 244.86 | \$ 314.23 | \$ 418.29 |
| \$ | 4.00 | \$ 106.11 | \$ 217.11 | \$ 291.11 | \$ 365.11 | \$ 476.11 |

ESTIMATED LABOR AND MACHINERY COSTS PER ACRE

| PREHARVEST OPERATIONS | | | | | | |
|---|------------|-------------------|-----------------|--------------------|---------------------------|---------------------|
| Operation | Acres/Hour | Number Times Over | Labor Use (Hr.) | Fuel Use (Gal./Ac) | Machinery Repairs (\$/Ac) | Fixed Costs (\$/Ac) |
| Spin Spreader5 ton with Tractor (120-139 hp)-2WD 130 | 23.758 | 1.00 | 0.04 | 0.28 | 0.83 | 2.31 |
| Harrow40' with Tractor (180-199 hp)-MFWD 190 | 25.758 | 1.00 | 0.04 | 0.38 | 0.48 | 1.28 |
| Spray (Broadcast)60' with Tractor (120-139 hp)-2WD 130 | 35.455 | 1.00 | 0.03 | 0.19 | 0.22 | 0.55 |
| ST Plant-Rigid6R-36 with Tractor (180-199 hp)-MFWD 190 | 6.873 | 1.00 | 0.15 | 1.42 | 1.53 | 4.53 |
| Fert Appl (Liquid)6R-36 with Tractor (120-139 hp)-2WD 130 | 9.164 | 1.00 | 0.11 | 0.73 | 1.44 | 3.01 |
| Spray (Band)60' with Tractor (120-139 hp)-2WD 130 | 35.455 | 1.00 | 0.03 | 0.19 | 0.22 | 0.55 |
| Total Preharvest Fuel, Repairs, Fixed Costs, & Labor | | | 0.392 \$ | 3.19 \$ | 4.71 \$ | 12.22 |

| HARVEST OPERATIONS | | | | | | |
|--|------------|-------------------|-----------------|--------------------|---------------------------|---------------------|
| Operation | Acres/Hour | Number Times Over | Labor Use (Hr.) | Fuel Use (Gal./Ac) | Machinery Repairs (\$/Ac) | Fixed Costs (\$/Ac) |
| Header - Corn6R 36" with Combine (200-249 hp)-240hp | 6.109 | 1.000 | 0.164 | 2.022 | \$ 3.10 | \$ 21.32 |
| Corn Grain Cart 8R36500 bu with Tractor (120-139 hp)-2WD 130 | 10.642 | 1.000 | 0.094 | 0.629 | \$ 0.56 | \$ 2.34 |
| Total Harvest Fuel, Repairs, Fixed Costs, and Labor | | | 0.258 \$ | 2.65 \$ | 3.66 \$ | 23.66 |

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