

TABLE 1. Basic cost information for Curry County, 2003.

Item			
Labor Wage Rate:			
Equipment operators		\$/hour	\$7.55
General & Irrigators		\$/hour	\$6.45
Purchased Inputs:			
Fertilizer:			
Nitrogen (N)		\$/pound	\$0.36
Phosphate (P205)		\$/pound	\$0.33
Anhydrous (NH3)		\$/ton	\$310.00
Seed:			
Grain Sorghum		\$/pound	\$1.20
Wheat		\$/pound	\$0.13
Diesel fuel		\$/gallon	\$1.30
Gasoline		\$/gallon	\$1.35
Electricity (SWPS)		CENTS/KwHr	5.50
LP gas		\$/gallon	\$1.21
Natural Gas (Gas NM)		\$/MCF	\$3.28
Employee Liability Insurance	\$/ \$1,000	wages	\$20.00
Employee B Benefits	percent/w	ages	18.00%
Labor Downtime	percent		25.00%
Financial Rates:			
Operating Capital Interest Rate	percent		8.00%
Land Interest Rate	percent		7.00%
Equipment Interest Rate	percent		8.00%
Real Interest Rate	percent		4.00%
Land Taxes	\$109.00 /acre	(full value)	\$0.92
Personal Propety Tax Rate - NR	\$/ \$1,000	(Assessed	\$25.25
- R		Value)	\$25.25
Supervision Factors			
Field Crop-Irrigation		\$/labor hour	\$1.00
Field Crop-Equipment & General		\$/labor hour	\$0.50
Management Rate	percent		7.00%

TABLE 1a. Overhead cost information for Curry County, 2003.

ITEM			
Electricity (Domestic & Shop)		\$215.00 per month	\$2,580
Telephone		\$115.00 per month	\$1,380
Accounting & Legal			\$1,610
Misc. Supplies & Hand Tools			\$2,410
Pickup and Auto			
miles	20,000	@ \$0.365 per mile	\$7,300
Insurance			
- general liability (non-employee)			\$2,155
- fire/theft			\$1,725
Property Taxes			
- non-planted land			\$84
- other than land & machinery			\$615
Building repairs and maintenance			\$1,430
Dues, fees, publications			\$390
Farmstead Equipment			\$165
Total			\$21,844
Total Per Planted Acre			\$51.40

TABLE 2. Pumping costs and data for Curry County, 2003.

INPUT DATA

			DEPTH CHARACTERISTICS:	
			STATIC... ..	300
			DRAW DOV .....	35
			TOTAL HEAD.....	335
			CASING... ..	400
GALLONS PER MINUTE (GPM)...	550			
WORK HORSEPOWER .....	47			
EFFICIENCY FACTOR:				
ELECTRICITY. ....	0.592			
NATURAL GAS. ....	0.156			
LP GAS.....	0.156			
DIESEL.....	0.160			
FUEL COST PER UNIT:				
ELECTRICITY. ....	5.50	CENTS/K	wHr	
NATURAL GAS. ....	\$3.28	\$/MCF		
LP GAS.....	\$1.21	\$/GAL		
DIESEL.....	\$1.30	\$/GAL		

FUEL PUMPING COSTS

ELECTRIC WELL:			
COST PER HOUR.....	\$	\$3.26	
COST PER ACRE INCH .....	\$	\$2.68	
NATURAL GAS WELL:			
COST PER HOUR.....	\$	\$2.76	
COST PER ACRE INCH .....	\$	\$2.27	
LP GAS WELL:			
COST PER HOUR.....	\$	\$10.03	
COST PER ACRE INCH .....	\$	\$8.25	
DIESEL WELL:			
COST PER HOUR.....	\$	\$6.82	
COST PER ACRE INCH .....	\$	\$5.61	

TABLE 3. Equipment summary for a 520 acre flood-irrigated wheat/grain sorghum farm with above average management, Curry County, 2003.

EQUIPMENT			VARIABLE LE COSTS					FIXED COSTS		
ITEM & SIZE	ANNUAL HOURS OF USE	NUMBER	TOTAL VALUE	FUEL, OIL LUBRICANT	REPAIR	FUEL,OIL PER HR	REPAIR PER HR	DEPRECIATION	TOTAL TAXES PER HOUR	
----- (DOLLARS) -----										
TRACTOR 140 HP	146	1	\$19,060	\$1,492	\$842	\$10.21	\$5.76	\$3,493	\$1,985	\$37.49
TRACTOR 185 HP	336	1	\$40,700	\$4,529	\$3,134	\$13.50	\$9.34	\$5,661	\$3,216	\$26.46
DISC 20 FT OFFSET	165	1	\$9,000		\$0		\$0.00	\$1,200	\$682	\$11.40
DRILL 20 FT	43	1	\$3,600		\$266		\$6.19	\$720	\$273	\$23.14
FERT SPREADER DEALER FURNI:	17									
CHISEL 9-PT	26	1	\$1,350		\$25		\$1.00	\$180	\$102	\$11.07
CULTIVATOR 6-ROW	44	1	\$2,500		\$75		\$1.70	\$333	\$189	\$11.83
LISTER 6-ROW	60	1	\$2,150		\$80		\$1.33	\$287	\$163	\$7.49
PLANTER 6-ROW	29	1	\$4,250		\$174		\$6.04	\$850	\$322	\$40.55
ROD WEEDER 23 FT	14	1	\$625		\$7		\$0.54	\$83	\$47	\$9.61
ELECTRIC WELL	6871	2	\$28,000	\$22,372	\$622	\$3.26	\$0.09	\$2,545	\$2,121	\$0.68
<b>TOTAL</b>			<b>\$111,235</b>	<b>\$28,393</b>	<b>\$5,226</b>			<b>\$15,353</b>	<b>\$9,100</b>	

TABLE 4. Wheat, flood-irrigated, budgeted per acre costs and returns for a 520 acre farm with above average management, Curry County, 2003.  
 Planting Dates: August 15 - September 15  
 Harvesting Dates: June 15 - July 15

ITEM	PRICE	YIELD						TOTAL
<b>GROSS RETURNS</b>								
WHEAT	\$3.45	38 BUSHEL						\$131.10
DIRECT PAYMENT	\$0.52	38 BUSHEL						\$19.76
COUNTER CYCLICAL PAYMENT	\$0.00							\$0.00
GRAZING	\$40.00	1 ACRE						\$40.00
<b>TOTAL</b>								<b>\$190.86</b>
<b>PURCHASED INPUTS</b>								
PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS					TOTAL
SEED	\$0.13	60 LBS	\$7.80				\$7.80	
ANHYDROUS AMMONIA (NH3)	\$0.1550	100 LBS	\$15.50				\$15.50	
NITROGEN (N)	\$0.36	18 LBS	\$6.48				\$6.48	
PHOSPHORUS (P205)	\$0.33	46 LBS	\$15.18				\$15.18	
INSECTICIDE (CUSTOM)	\$9.59	1 ACRE	\$9.59				\$9.59	
HERBICIDE (CUSTOM)	\$10.69	1 ACRE	\$10.69				\$10.69	
PUMP WATER*		15 AC. IN.						
CROP INSURANCE	\$0.15		\$0.15				\$0.15	
<b>SUBTOTAL</b>			<b>\$65.39</b>				<b>\$65.39</b>	
<b>PREHARVEST OPERATIONS</b>								
PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & OIL	REPAIRS	FIXED COST	TOTAL
DISC (3X)	185 HP	0.33 HR		\$2.49	\$4.45	\$3.08	\$12.50	\$22.52
ANHYDROUS APPL	185 HP	0.17 HR		\$1.28	\$2.29	\$1.59	\$4.50	\$9.66
LISTER	185 HP	0.12 HR		\$0.91	\$1.62	\$1.28	\$4.07	\$7.88
FERT SPREADER	145 HP	0.05 HR		\$0.38	\$0.51	\$0.29	\$1.87	\$3.05
DRILL	145 HP	0.13 HR		\$0.98	\$1.33	\$1.55	\$7.88	\$11.75
IRRIGATE (3X)		1.50 HR		\$9.68	\$40.19	\$1.12	\$8.38	\$59.36
<b>SUBTOTAL</b>		<b>2.30 HR</b>		<b>\$15.72</b>	<b>\$50.40</b>	<b>\$8.91</b>	<b>\$39.21</b>	<b>\$114.23</b>
<b>HARVEST OPERATIONS</b>								
COMBINE (CUSTOM)			\$19.61					\$19.61
HAUL (CUSTOM)			\$6.08					\$6.08
<b>SUBTOTAL</b>			<b>\$25.69</b>					<b>\$25.69</b>
<b>OVERHEAD EXPENSES</b>								
DOWNTIME		0.20 HR		\$1.51				\$1.51
EMPLOYEE BENEFITS				\$2.83				\$2.83
INSURANCE			\$0.31					\$0.31
LAND TAXES						\$0.92		\$0.92
SUPERVISION AND MANAGEMENT				\$15.26				\$15.26
OTHER EXPENSES			\$51.40					\$51.40
<b>SUBTOTAL</b>		<b>0.20 HR</b>	<b>\$51.71</b>	<b>\$19.60</b>				<b>\$0.92</b>
<b>TOTAL OPERATING EXPENSES</b>		<b>2.50 HR</b>	<b>\$142.79</b>	<b>\$35.31</b>	<b>\$50.40</b>	<b>\$8.91</b>	<b>\$40.13</b>	<b>\$277.54</b>
<b>NET OPERATING PROFIT</b>								<b>(\$86.68)</b>
INTEREST ON OPERATING CAPITAL	(	\$49.66	@	8.00%				\$3.97
INTEREST ON EQUIPMENT INVESTMENT								\$13.18
<b>RETURN TO LAND AND RISK</b>								<b>(\$103.83)</b>

\* Pump water costs are shown under irrigation in the preharvest operations section.

**BUDGET SUMMARY**

GROSS RETURN		\$190.86	
VARIABLE OPERATING EXPENSES	\$202.10		
RETURN OVER VARIABLE EXPENSES		(\$11.24)	(GROSS MARGIN)
FIXED EXPENSES	\$40.13		
NET FARM INCOME		(\$51.36)	(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$35.31		
NET OPERATING PROFIT		(\$86.68)	(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$17.16		
RETURN TO LAND AND RISK		(\$103.83)	

TABLE 5. Grain sorghum, flood-irrigated, budgeted per acre costs and returns for a 520 acre farm with above average management, Curry County, 2003.  
 Planting Dates: May 15 - June 15  
 Harvesting Dates: October 15 - November 15

ITEM	PRICE	YIELD						TOTAL				
<b>GROSS RETURNS</b>												
GRAIN SORGHUM	\$4.39	48	CWT					\$210.72				
DIRECT PAYMENT	\$0.35	48	CWT					\$16.80				
COUNTER CYCLICAL PAYMENT	\$0.00	0	CWT					\$0.00				
GRAZING	\$9.00	1	ACRE					\$9.00				
<b>TOTAL</b>								<b>\$236.52</b>				
<b>PURCHASED INPUTS</b>												
PURCHASED INPUTS	PRICE	QUANTITY		PURCHASED INPUTS				TOTAL				
SEED	\$1.20	5	LBS	\$6.00				\$6.00				
ANHYDROUS (NH3)	\$0.1550	150	LBS	\$23.25				\$23.25				
NITROGEN (N)	\$0.36	25	LBS	\$9.00				\$9.00				
PHOSPHORUS (P205)	\$0.33	50	LBS	\$16.50				\$16.50				
HERBICIDE (CUSTOM)	\$14.11	1	X/ACRE	\$14.11				\$14.11				
INSECTICIDE (CUSTOM)	\$13.49	1	X/ACRE	\$13.49				\$13.49				
TRACE ELEMENTS	\$13.89	1	ACRE	\$13.89				\$13.89				
PUMP WATER*		20	AC. IN.									
CROP INSURANCE	\$0.29			\$0.29				\$0.29				
<b>SUBTOTAL</b>								<b>\$96.53</b>				
<b>PREHARVEST OPERATIONS</b>												
PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE		PURCHASED INPUTS	LABOR	FUEL & OIL	REPAIRS	FIXED COST	TOTAL			
DISC	185 HP	0.11	HR		\$0.83	\$1.48	\$1.03	\$4.17	\$7.51			
CHISEL	185 HP	0.15	HR		\$1.13	\$2.02	\$1.55	\$5.63	\$10.34			
DISC (2X)	185 HP	0.22	HR		\$1.66	\$2.97	\$2.06	\$8.33	\$15.02			
ANHYDROUS APPL	185 HP	0.17	HR		\$1.28	\$2.29	\$1.59	\$4.50	\$9.66			
LISTER	185 HP	0.12	HR		\$0.91	\$1.62	\$1.28	\$4.07	\$7.88			
PRE-IRRIGATE		0.50	HR		\$3.78	\$10.72	0.30	2.24	\$17.03			
ROD WEEDER	140 HP	0.08	HR		\$0.60	\$0.82	\$0.50	\$3.77	\$5.69			
PLANTER	140 HP	0.17	HR		\$1.28	\$1.74	\$2.01	\$13.27	\$18.29			
CULTIVATOR (2X)	140 HP	0.26	HR		\$1.96	\$2.65	\$1.94	\$12.82	\$19.38			
IRRIGATE (4X)		2.00	HR		\$12.90	\$42.87	\$1.19	\$8.94	\$65.90			
<b>SUBTOTAL</b>								<b>\$26.34</b>	<b>\$69.19</b>	<b>\$13.44</b>	<b>\$67.73</b>	<b>\$176.70</b>
<b>HARVEST OPERATIONS</b>												
COMBINE (CUSTOM)					\$23.67				\$23.67			
HAUL (CUSTOM)					\$9.12				\$9.12			
<b>SUBTOTAL</b>								<b>\$32.79</b>			<b>\$32.79</b>	
<b>OVERHEAD EXPENSES</b>												
DOWNTIME		0.32	HR		\$2.42				\$2.42			
EMPLOYEE BENEFITS					\$4.74				\$4.74			
INSURANCE					\$0.53				\$0.53			
LAND TAXES							\$0.92		\$0.92			
SUPERVISION AND MANAGEMENT					\$19.45				\$19.45			
OTHER EXPENSES					\$51.40				\$51.40			
<b>SUBTOTAL</b>								<b>\$51.92</b>	<b>\$26.60</b>	<b>\$0.92</b>	<b>\$79.45</b>	
<b>TOTAL OPERATING EXPENSES</b>		<b>4.10</b>	<b>HR</b>		<b>\$181.25</b>	<b>\$52.94</b>	<b>\$69.19</b>	<b>\$13.44</b>	<b>\$68.65</b>	<b>\$385.47</b>		
<b>NET OPERATING PROFIT</b>									<b>(\$148.95)</b>			
INTEREST ON OPERATING CAPITAL	(	\$71.65	@	8.00%	)				\$5.73			
INTEREST ON EQUIPMENT INVESTMENT									\$23.34			
<b>RETURN TO LAND AND RISK</b>									<b>(\$178.02)</b>			

\* Pump water costs are shown under irrigation in the preharvest operations section.

**BUDGET SUMMARY**

GROSS RETURN		\$236.52	
VARIABLE OPERATING EXPENSES	\$263.88		
RETURN OVER VARIABLE EXPENSES		(\$27.36)	(GROSS MARGIN)
FIXED EXPENSES	\$68.65		
NET FARM INCOME		(\$96.01)	(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$52.94		
NET OPERATING PROFIT		(\$148.95)	(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$29.07		
RETURN TO LAND AND RISK		(\$178.02)	

TABLE 6. Summary of per acre costs and returns for a 520 acre farm with above average management, Curry County, 2002.

	WHEAT	GRAIN SORGHUM
	-----FLOOD-----	
PRIMARY YIELD	38.00 BUSHELS	48.00 CWT
PRIMARY PRICE	3.45	4.39
GOVERNMENT PAYMENTS	19.76	16.80
SECOND INCOME	40.00 ACRE	9.00 ACRE
GROSS RETURN	\$190.86	\$236.52
CASH OPERATING EXPENSES		
SEED	\$7.80	\$6.00
FERTILIZER	\$37.16	\$62.64
CHEMICALS	\$20.28	\$27.60
CROP INSURANCE	\$0.15	\$0.29
OTHER PURCHASED INPUTS		
CANAL WATER		
FUEL, OIL & LUBRICANTS-EQUIPMENT	\$10.21	\$15.60
FUEL-IRRIGATION	\$40.19	\$53.59
REPAIRS	\$8.91	\$13.44
CUSTOM CHARGES	\$25.69	\$32.79
LAND TAXES	\$0.92	\$0.92
OTHER EXPENSES	\$51.71	\$51.92
TOTAL CASH EXPENSES	\$203.01	\$264.79
RETURN OVER CASH EXPENSES	(\$12.15)	(\$28.27)
FIXED EXPENSES	\$39.21	\$67.73
TOTAL EXPENSES	\$242.22	\$332.53
NET FARM INCOME	(\$51.36)	(\$96.01)
LABOR AND MANAGEMENT COSTS	\$35.31	\$52.94
NET OPERATING PROFIT	(\$86.68)	(\$148.95)
CAPITAL COSTS		
INTEREST ON OPERATING CAPITAL	\$3.97	\$5.73
INTEREST ON EQUIPMENT INVESTMENT	\$13.18	\$23.34
TOTAL CAPITAL COSTS	\$17.16	\$29.07
RETURN TO LAND AND RISK	<u>(\$103.83)</u>	<u>(\$178.02)</u>

TABLE 7. Whole farm summary, Curry County, 2002.

GROSS RETURNS		
WHEAT	330 ACRES	
CROP		\$43,263
GRAZING		\$13,200
DIRECT PAYMENT		\$5,039
COUNTER CYCLICAL PAYMENT		\$0
GRAIN SORGHUM	170 ACRES	
CROP		\$35,822
GRAZING		\$1,530
DIRECT PAYMENT		\$2,856
COUNTER CYCLICAL PAYMENT		\$0
GROSS RETURN		\$101,710
CASH OPERATING EXPENSES		
SEED		\$3,594
FERTILIZER		\$22,911
CHEMICALS		\$11,382
CROP INSURANCE		\$100
OTHER PURCHASED INPUTS		\$0
CANAL WATER		\$0
FUEL, OIL & LUBRICANTS-EQUIPMENT		\$6,021
FUEL-IRRIGATION		\$22,372
REPAIRS		\$5,226
CUSTOM CHARGES		\$14,052
LAND TAXES		\$459
OTHER EXPENSES		\$25,892
TOTAL CASH EXPENSES		\$112,010
RETURN OVER CASH EXPENSES		(\$10,300)
FIXED EXPENSES		\$24,454
TOTAL EXPENSES		\$136,463
NET FARM INCOME		(\$34,753)
LABOR AND MANAGEMENT COSTS		\$20,654
NET OPERATING PROFIT		(\$55,407)
CAPITAL COSTS		
INTEREST ON OPERATING CAPITAL		\$2,286
INTEREST ON EQUIPMENT INVESTMENT		\$8,319
TOTAL CAPITAL COSTS		\$10,604
RETURN TO LAND AND RISK		(\$66,011)

LAND VALUE	RETURN TO RISK*	RETURN ON INVESTMENT**
\$500 /ACRE	(\$76,411)	-14.93%
\$1,000 /ACRE	(\$86,811)	-8.78%
\$1,500 /ACRE	(\$97,211)	-6.22%
\$2,000 /ACRE	(\$107,611)	-4.81%
\$2,500 /ACRE	(\$118,011)	-3.93%

\* RETURN TO LAND AND RISK MINUS (INTEREST RATE TIMES LAND VALUE TIMES ACREAGE)

\*\* NET OPERATING PROFIT DIVIDED BY (MACHINERY AND EQUIPMENT VALUE PLUS LAND VALUE)