

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

Item			
Labor Wage Rate:			
Equipment operators		\$/hour	\$7.55
General & Irrigators		\$/hour	\$6.75
Purchased Inputs:			
Fertilizer:			
Nitrogen (N)		\$/pound	\$0.36
Phosphate (P205)		\$/pound	\$0.33
Seed:			
Corn		\$/bag	\$89.75
Wheat		\$/pound	\$0.13
Diesel fuel		\$/gallon	\$1.30
Gasoline		\$/gallon	\$1.35
Electricity (SWPS)		cents/KwH	5.50
LP gas		\$/gallon	\$1.21
Natural gas (Gas NM)		\$/MCF	\$3.28
Employee Liability Insurance		\$/ \$1,000 wages	\$20.00
Employee 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 Property Tax Rate - NR		\$/ \$1,000 (Assessed Value)	\$25.25
- R			\$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)		\$210.00 per month	\$2,520
Telephone		\$110.00 per month	\$1,320
Accounting & Legal			\$1,555
Misc. Supplies & Hand Tools			\$2,330
Pickup and Auto			
miles	20,000	@ \$0.365 per mile	\$7,300
Insurance			
- general liability (non-employee)			\$2,090
- fire/theft			\$1,675
Property Taxes			
- non-planted land			\$589
- other than land & machinery			\$575
Building repairs and maintenance			\$1,385
Dues, fees, publications			\$370
Farmstead Equipment			\$160
Total			\$21,869
Total Per	Planted Acre		\$43.74

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

INPUT DATA

DELIVERY PSI:		DEPTH CHARACTERISTICS:	
SPRINKLER...	40	STATIC... ..	300
		DRAW DOV	35
		TOTAL HEAD.....	335
		CASING... ..	350
GALLONS PER MINUTE (GPM)...	550		
WORK HORSEPOWER	59		
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	WH
NATURAL GAS.	\$3.28	\$/MCF	
LP GAS..... ..	\$1.21	\$/GAL	
DIESEL..... ..	\$1.30	\$/GAL	

FUEL PUMPING COSTS

ELECTRIC WELL:	
COST PER HOUR.....	\$4.15
COST PER ACRE INCH	\$3.41
NATURAL GAS WELL:	
COST PER HOUR.....	\$3.51
COST PER ACRE INCH	\$2.89
LP GAS WELL:	
COST PER HOUR.....	\$12.79
COST PER ACRE INCH	\$10.52
DIESEL WELL:	
COST PER HOUR.....	\$8.70
COST PER ACRE INCH	\$7.16

TABLE 3. Equipment summary for a 640 acre sprinkler-irrigated wheat/corn farm with above average management, Curry County, 2003.

EQUIPMENT ITEM & SIZE	ANNUAL		VARIABLE COSTS					FIXED COSTS		
	HOURS OF USE	NUMBER	TOTAL VALUE	FUEL AND LUBRICAN	REPAIR	FUEL,LUBE PER HR	REPAIR PER HR	DEPRE- CIATION	TOTAL TAXES PER HOUR	
TRACTOR 140 HP	142	1	\$19,060	\$1,450	\$819	\$10.21	\$5.76	\$3,493	\$221	\$26.15
TRACTOR 185 HP	240	1	\$40,700	\$3,240	\$971	\$13.50	\$4.05	\$5,995	\$378	\$26.55
DISC 18 FT OFFSET	165	1	\$7,500	\$0	\$0	\$0.00	\$0.00	\$1,000	\$63	\$6.44
DRILL 20 FT	25	1	\$3,600	\$0	\$129	\$0.00	\$5.11	\$720	\$30	\$29.75
FERT SPREADER DEALER FURNI:	25			\$0	\$0				\$0	
CHISEL 9-PT	75	1	\$1,350	\$0	\$62	\$0.00	\$0.82	\$180	\$11	\$2.55
CULTIVATOR 6-ROW	40	1	\$2,500	\$0	\$68	\$0.00	\$1.70	\$333	\$21	\$8.91
PLANTER 6-ROW	52	1	\$4,250	\$0	\$433	\$0.00	\$8.33	\$850	\$36	\$17.03
INJECTOR PUMP	6632	4	\$2,400	\$0	\$0	\$0.00	\$0.00	\$480	\$10	\$0.07
TOWABLE SPRINKLER	6632	4	\$60,000	\$274	\$6,002	\$0.04	\$0.91	\$8,000	\$505	\$1.28
ELECTRIC WELL	6632	4	\$52,000	\$27,496	\$600	\$4.15	\$0.09	\$4,727	\$438	\$0.78
TOTAL			\$193,360	\$32,460	\$9,084			\$25,779	\$1,713	

TABLE 4. Wheat, sprinkler-irrigated, budgeted per acre costs and returns for a 640 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
GROSS RETURNS								
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
TOTAL								\$190.86
PURCHASED INPUTS								
PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS			TOTAL		
SEED	\$0.13	80 LBS	\$10.40			\$10.40		
LIQUID FERT (28-0-0)	\$0.07	460 LBS	\$33.35			\$33.35		
NITROGEN (N)	\$0.36	18 LBS	\$6.48			\$6.48		
PHOSPHATE (P205)	\$0.33	46 LBS	\$15.18			\$15.18		
INSECTICIDE (CUSTOM)	\$11.16	1 ACRE	\$11.16			\$11.16		
HERBICIDE (CUSTOM)	\$11.16	1 ACRE	\$11.16			\$11.16		
PUMP WATER*		10 AC. IN.						
CROP INSURANCE	\$0.26		\$0.26			\$0.26		
SUBTOTAL			\$87.99			\$87.99		
PREHARVEST OPERATIONS								
PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & OIL	REPAIRS	FIXED COST	TOTAL
CHISEL	185 HP	0.15 HR		\$1.13	\$2.02	\$0.73	\$4.37	\$8.25
DISC (3X)	185 HP	0.33 HR		\$2.49	\$4.45	\$1.34	\$10.89	\$19.17
FERT SPREADER-ANHY	140 HP	0.05 HR		\$0.38	\$0.51	\$0.29	\$1.31	\$2.48
DRILL	140 HP	0.13 HR		\$0.98	\$1.33	\$1.41	\$7.27	\$10.99
IRRIGATE (7X)		0.70 HR		\$4.73	\$34.45	\$8.19	\$17.57	\$64.94
SUBTOTAL		1.36 HR		9.71	42.77	11.96	41.40	105.84
HARVEST OPERATIONS								
COMBINE (CUSTOM)				\$1.73				\$1.73
HAUL (CUSTOM)				\$6.08				\$6.08
SUBTOTAL				\$7.81				\$7.81
OVERHEAD EXPENSES								
DOWNTIME		0.17 HR		\$1.25				\$1.25
EMPLOYEE BENEFITS				\$1.75				\$1.75
INSURANCE				\$0.19				\$0.19
LAND TAXES							\$0.92	\$0.92
SUPERVISION AND MANAGEMENT				\$14.32				\$14.32
OTHER EXPENSES				\$43.74				\$43.74
SUBTOTAL			0.17 HR	\$43.93	\$17.31		\$0.92	\$62.16
TOTAL OPERATING EXPENSES		1.53 HR		\$139.74	\$27.02	\$42.77	\$11.96	\$263.80
NET OPERATING PROFIT								(\$72.94)
INTEREST ON OPERATING CAPITAL	(\$58.33	@	8.00%)			\$4.67
INTEREST ON EQUIPMENT INVESTMENT								\$15.56
RETURN TO LAND AND RISK								(\$93.17)

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

GROSS RETURN		\$190.86	
VARIABLE OPERATING EXPENSES	\$194.47		
RETURN OVER VARIABLE EXPENSES		(\$3.61)	(GROSS MARGIN)
FIXED EXPENSES	\$42.32		
NET FARM INCOME		(\$45.92)	(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$27.02		
NET OPERATING PROFIT		(\$72.94)	(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$20.23		
RETURN TO LAND AND RISK		(\$93.17)	

TABLE 5. Corn for grain, sprinkler-irrigated, budgeted per acre costs and returns for a 640 acre farm with above average management, Curry County, 2003.
 Planting Dates: April 15 - May 15
 Harvesting Dates: September 1 - October 15

ITEM	PRICE	YIELD						TOTAL
GROSS RETURNS								
CORN FOR GRAIN	\$5.08	103 CWT						\$523.24
DIRECT PAYMENT	\$0.50	103 CWT						\$51.50
COUNTER CYCLICAL PAYMENT	\$0.00	0 CWT						\$0.00
GRAZING	\$10.00	1 ACRE						\$10.00
TOTAL							\$584.74	
PURCHASED INPUTS								
PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS				TOTAL	
SEED	\$1.12	34 000	\$38.14				\$38.14	
LIQUID FERT (28-0-0)	\$0.08	525 LBS	\$42.00				\$42.00	
LIQUID FERT (46-0-0)	\$0.08	325 LBS	\$26.00				\$26.00	
K-MAG	\$0.09	45 LBS	\$4.05				\$4.05	
PHOSPHATE (P205)	\$0.33	100 LBS	\$33.00				\$33.00	
NITROGEN (N)	\$0.36	50 LBS	\$18.00				\$18.00	
HERBICIDE (SYSTEM)	\$16.99	1 X/ACRE	\$16.99				\$16.99	
INSECTICIDE (SYSTEM)	\$11.16	2 X/ACRE	\$22.32				\$22.32	
TRACE ELEMENTS	\$16.00	1 ACRE	\$16.00				\$16.00	
PUMP WATER*		20 AC. IN.						
CROP INSURANCE	\$0.16		\$0.16				\$0.16	
SUBTOTAL							\$216.67	
PREHARVEST OPERATIONS								
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	\$0.45	\$3.63	\$6.39
CHISEL	185 HP	0.15 HR		\$1.13	\$2.02	\$0.73	\$4.37	\$8.25
DISC (2X)	185 HP	0.22 HR		\$1.66	\$2.97	\$0.89	\$7.26	\$12.78
FERT SPREADER	140 HP	0.05 HR		\$0.38	\$0.51	\$0.29	\$1.31	\$2.48
PLANTER	140 HP	0.17 HR		\$1.28	\$1.74	\$2.40	\$7.34	\$12.76
CULTIVATOR	140 HP	0.13 HR		\$0.98	\$1.33	\$0.97	\$4.56	\$7.84
IRRIGATE (14X)		1.40 HR		\$9.45	\$68.91	\$16.38	\$33.92	\$128.66
SUBTOTAL		2.23 HR		\$15.72	\$78.96	\$22.10	\$62.38	\$179.16
HARVEST OPERATIONS								
COMBINE (CUSTOM)			\$19.62					\$19.62
HAUL (CUSTOM)			\$18.54					\$18.54
SUBTOTAL			\$38.16					\$38.16
OVERHEAD EXPENSES								
DOWNTIME		0.21 HR		\$1.57				\$1.57
EMPLOYEE BENEFITS				\$2.83				\$2.83
INSURANCE			\$0.31					\$0.31
LAND TAXES						\$0.92		\$0.92
SUPERVISION AND MANAGEMENT				\$42.75				\$42.75
OTHER EXPENSES			\$43.74					\$43.74
SUBTOTAL			0.21 HR	\$44.05	\$47.14		\$0.92	\$92.11
TOTAL OPERATING EXPENSES		2.44 HR	\$298.88	\$62.86	\$78.96	\$22.10	\$63.30	\$526.10
NET OPERATING PROFIT							\$58.64	
INTEREST ON OPERATING CAPITAL	(\$136.78	@	8.00%			\$10.94	
INTEREST ON EQUIPMENT INVESTMENT							\$21.16	
RETURN TO LAND AND RISK							\$26.54	

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

BUDGET SUMMARY

GROSS RETURN		\$584.74	
VARIABLE OPERATING EXPENSES	\$399.94		
RETURN OVER VARIABLE EXPENSES		\$184.80	(GROSS MARGIN)
FIXED EXPENSES	\$63.30		
NET FARM INCOME		\$121.50	(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$62.86		
NET OPERATING PROFIT		\$58.64	(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$32.10		
RETURN TO LAND AND RISK		\$26.54	

TABLE 6. Summary of per acre costs and returns for a 640 acre farm with above average management Curry County, 2002.

	WHEAT	CORN FOR GRAIN
	-----SPRINKLER-----	
PRIMARY YIELD	38.00 BUSHELS	103.00 CWT
PRIMARY PRICE	\$3.45	5.08
GOVERNMENT PAYMENTS	\$0.52	51.50
SECOND INCOME	\$40.00 ACRE	10.00 ACRE
GROSS RETURN	\$190.86	\$584.74
CASH OPERATING EXPENSES		
SEED	\$10.40	\$38.14
FERTILIZER	\$55.01	\$139.05
CHEMICALS	\$22.32	\$39.31
CROP INSURANCE	\$0.26	\$0.16
OTHER PURCHASED INPUTS		
CANAL WATER		
FUEL, OIL & LUBRICANTS-EQUIPMENT	\$8.32	\$10.05
FUEL-IRRIGATION	\$34.45	\$68.91
REPAIRS	\$11.96	\$22.10
CUSTOM CHARGES	\$7.81	\$38.16
LAND TAXES	\$0.92	\$0.92
OTHER EXPENSES	\$43.93	\$44.05
TOTAL CASH EXPENSES	\$195.39	\$400.86
RETURN OVER CASH EXPENSES	(\$4.53)	\$183.88
FIXED EXPENSES	\$41.40	\$62.38
TOTAL EXPENSES	\$236.78	\$463.24
NET FARM INCOME	(\$45.92)	\$121.50
LABOR AND MANAGEMENT COSTS	\$27.02	\$62.86
NET OPERATING PROFIT	(\$72.94)	\$58.64
CAPITAL COSTS		
INTEREST ON OPERATING CAPITAL	\$4.67	\$10.94
INTEREST ON EQUIPMENT INVESTMENT	\$15.56	\$21.16
TOTAL CAPITAL COSTS	\$20.23	\$32.10
RETURN TO LAND AND RISK	(\$93.17)	\$26.54

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

GROSS RETURNS		
WHEAT	194 ACRES	
CROP		\$25,433
GRAZING		\$7,760
DIRECT PAYMENT		\$2,351
COUNTER CYCLICAL PAYMENT		\$0
CORN FOR GRAIN	306 ACRES	
CROP		\$160,111
GRAZING		\$3,060
DIRECT PAYMENT		\$15,759
COUNTER CYCLICAL PAYMENT		\$0
GROSS RETURN		\$214,475
CASH OPERATING EXPENSES		
SEED		\$13,690
FERTILIZER		\$53,221
CHEMICALS		\$16,359
CROP INSURANCE		\$100
OTHER PURCHASED INPUTS		\$0
CANAL WATER		\$0
FUEL, OIL & LUBRICANTS-EQUIPMENT		\$4,690
FUEL-IRRIGATION		\$27,770
REPAIRS		\$9,084
CUSTOM CHARGES		\$13,192
LAND TAXES		\$459
OTHER EXPENSES		\$22,003
TOTAL CASH EXPENSES		\$160,568
RETURN OVER CASH EXPENSES		\$53,907
FIXED EXPENSES		\$27,120
TOTAL EXPENSES		\$187,688
NET FARM INCOME		\$26,788
LABOR AND MANAGEMENT COSTS		\$24,476
NET OPERATING PROFIT		\$2,312
CAPITAL COSTS		
INTEREST ON OPERATING CAPITAL		\$4,254
INTEREST ON EQUIPMENT INVESTMENT		\$9,493
TOTAL CAPITAL COSTS		\$13,746
RETURN TO LAND AND RISK		(\$11,435)

LAND VALUE	RETURN TO RISK*	RETURN ON INVESTMENT**
\$500 /ACRE	(\$24,235)	0.45%
\$1,000 /ACRE	(\$37,035)	0.28%
\$1,500 /ACRE	(\$49,835)	0.20%
\$2,000 /ACRE	(\$62,635)	0.16%
\$2,500 /ACRE	(\$75,435)	0.13%

* 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)