

TABLE 1. Basic cost information for Curry County, 2002.

Item			
Labor Wage Rate:			
Equipment operators	\$/hour		\$7.55
General & Irrigators	\$/hour		\$6.75
Purchased Inputs:			
Fertilizer:			
Anhydrous Ammonia	\$/ton		\$300.00
Seed:			
Wheat	\$/pound		\$0.16
Grain Sorghum	\$/pound		\$1.11
Diesel fuel	\$/gallon		\$1.05
Gasoline	\$/gallon		\$1.00
Employee Liability Insurance	\$/ \$1,000 wages		\$20.00
Employee Benefits	percent/wages		18.00%
Labor Downtime	percent		25.00%
Financial Rates:			
Operating Capital Interest Rate	percent		8.00%
Land Interest Rate	percent		7.50%
Equipment Interest Rate	percent		8.00%
Real Interest Rate	percent		4.00%
Land Taxes	\$40.00 /acre (full value)		\$0.34
Personal Property Tax Rate - NR	\$/ \$1,000 (Assessed Value)		\$25.25
- R			\$25.25
Supervision Factors			
Field Crop-Equipment & General	\$/labor hour		\$0.50
Management Rate	percent		7.00%

BUDGET AREA..... CURRY COUNTY, 2002.
 FARM SIZE..... 1600 ACRES
 IRRIGATION TYPE..... DRYLAND
 NUMBER OF CROPS.... 2

ACREAGE SUMMARY:	LAND USE (ACRES)
WHEAT	450.50
ARP	0.00
FLEX IN WHEAT	79.50
GRAIN SORGHUM	450.50
ARP	0.00
FLEX IN WHEAT	79.50
FALLOW	530.00
ROADS, HOMESTEAD	10.00
TOTAL	1600.00

TABLE 1a. Overhead cost information for Curry County, 2002.

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			\$2,355
Pickup and Auto			
miles	30,000	@ \$0.345 per mile	\$10,350
Insurance			
- general liability (non-employee)			\$2,095
- fire/theft			\$1,675
Property Taxes			
- non-planted land			\$221
- other than land & machinery			\$970
Building repairs and maintenance			\$1,380
Dues, fees, publications			\$380
Farmstead Equipment			\$160
		Total	\$24,981
		Total Per Planted Acre	\$15.71

TABLE 2. Equipment summary for a 1,600 acre dryland farm with above average management, Curry County, 2002.

EQUIPMENT ITEM & SIZE	ANNUAL HOURS		VARIABLE COSTS					FIXED COSTS		
	OF USE	NUMBER	TOTAL VALUE	FUEL AND LUBRICANT	REPAIR	FUEL,LUBE PER HR	REPAIR PER HR	DEPRECIATION	TAXES	TOTAL PER HOUR
TRACTOR 155 HP	180	1	\$15,050	\$1,645	\$776	\$9.13	\$4.31	\$3,500	\$221	\$20.65
TRACTOR 300 HP	189	1	\$49,750	\$3,552	\$4,022	\$18.75	\$21.23	\$9,433	\$595	\$52.93
DRILL 40 FT	53	1	\$7,750		\$748		\$14.11	\$1,550	\$65	\$30.48
FERT SPREADER DEALER FURNI:	77	1								
SWEEPS 45 FT	106	1	\$6,750		\$408		\$3.85	\$900	\$57	\$9.03
ROTARY HOE 24 FT	23	1	\$1,900		\$33		\$1.48	\$253	\$16	\$11.96
ROD WEEDER 40 FT	53	1	\$1,200		\$41		\$0.77	\$160	\$10	\$3.21
CULTIVATOR 6-ROW	59	1	\$3,000		\$112		\$1.92	\$400	\$25	\$7.26
TOTAL			\$85,400	\$5,197	\$6,139			\$16,197	\$990	

TABLE 3. Wheat, dryland, budgeted per acre costs and returns for a 1,600 acre farm with above average management, Curry County, 2002.
 Planting Dates: September 1 - October 15
 Harvesting Dates: June 15 - July 15

ITEM	PRICE	YIELD						TOTAL
GROSS RETURNS								
WHEAT	\$3.40	18 BUSHELS						\$61.20
ASCS DEFICIENCY	\$0.474	18 BUSHELS						\$8.53
ASCS DIVERSION	\$0.00							\$0.00
GRAZING	\$12.00	1 ACRE						\$12.00
TOTAL							\$81.73	
PURCHASED INPUTS								
PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS					TOTAL
SEED	\$0.16	30 LBS	\$4.80					\$4.80
HERBICIDE	\$6.89	1 ACRE	\$6.89					\$6.89
CROP INSURANCE	\$0.08		\$0.08					\$0.08
SUBTOTAL			\$11.77					\$11.77
PREHARVEST OPERATIONS								
PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & OIL	REPAIRS	FIXED COST	TOTAL
SWEEP (2X)	300 HP	0.10 HR		\$0.76	\$1.87	\$2.51	\$6.20	\$11.33
ROD WEEDER	300 HP	0.05 HR		\$0.38	\$0.94	\$1.10	\$2.81	\$5.22
DRILL	300 HP	0.05 HR		\$0.38	\$0.94	\$1.77	\$4.17	\$7.25
SUBTOTAL		0.20 HR		\$1.51	\$3.75	\$5.37	\$13.17	\$23.81
HARVEST OPERATIONS								
COMBINE (CUSTOM)				\$9.25				\$9.25
HAUL (CUSTOM)				\$2.88				\$2.88
SUBTOTAL				\$12.13				\$12.13
OVERHEAD EXPENSES								
DOWNTIME		0.05 HR		\$0.38				\$0.38
EMPLOYEE BENEFITS				\$0.27				\$0.27
INSURANCE				\$0.03				\$0.03
LAND TAXES							\$0.34	\$0.34
SUPERVISION AND MANAGEMENT				\$5.82				\$5.82
OTHER EXPENSES				\$15.71				\$15.71
SUBTOTAL		0.05 HR		\$15.74	\$6.47		\$0.34	\$22.55
TOTAL OPERATING EXPENSES		0.25 HR		\$39.64	\$7.98	\$3.75	\$5.37	\$70.25
NET OPERATING PROFIT							\$11.48	
INTEREST ON OPERATING CAPITAL	(\$5.69	@	8.00%			\$0.46	
INTEREST ON EQUIPMENT INVESTMENT							\$7.16	
RETURN TO LAND AND RISK							\$3.86	

BUDGET SUMMARY

GROSS RETURN		\$81.73	
VARIABLE OPERATING EXPENSES	\$48.76		
RETURN OVER VARIABLE EXPENSES		\$32.97	(GROSS MARGIN)
FIXED EXPENSES	\$13.51		
NET FARM INCOME		\$19.46	(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$7.98		
NET OPERATING PROFIT		\$11.48	(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$7.61		
RETURN TO LAND AND RISK		\$3.86	

TABLE 4. Grain sorghum, dryland, budgeted per acre costs and returns for a 1,600 acre farm with above average management, Curry County, 2002.
 Planting Dates: May 15 - June 20
 Harvesting Dates: October 15 - November 15

ITEM	PRICE	YIELD							TOTAL	
GROSS RETURNS										
GRAIN SORGHUM	\$3.75	18	CWT						\$67.50	
ASCS DEFICIENCY	\$0.58	18	CWT						\$10.44	
ASCS DIVERSION	\$0.00	0	CWT						\$0.00	
GRAZING	\$4.00	1	ACRE						\$4.00	
TOTAL									\$81.94	
PURCHASED INPUTS										
PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS							TOTAL
SEED	\$1.11	2	LBS	\$1.67						\$1.67
ANHYDROUS	\$0.1500	50	LBS	\$7.50						\$7.50
HERBICIDE	\$12.91	1	X/ACRE	\$12.91						\$12.91
INSECTICIDE	\$12.91	1	X/ACRE	\$12.91						\$12.91
CROP INSURANCE	\$0.11			\$0.11						\$0.11
SUBTOTAL				\$35.10						\$35.10
PREHARVEST OPERATIONS										
PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & OIL	REPAIRS	FIXED COST	TOTAL		
SWEEP (2X)	300 HP	0.10 HR		\$0.76	\$1.87	\$2.51	\$6.20	\$11.33		
ROD WEEDER	300 HP	0.05 HR		\$0.38	\$0.94	\$1.10	\$2.81	\$5.22		
ANHYDROUS APPL	155 HP	0.17 HR		\$1.28	\$1.55	\$0.73	\$3.51	\$7.08		
DRILL	155 HP	0.05 HR		\$0.38	\$0.46	\$0.92	\$2.56	\$4.31		
ROTARY HOE	155 HP	0.05 HR		\$0.38	\$0.46	\$0.29	\$1.63	\$2.75		
CULTIVATOR	155 HP	0.13 HR		\$0.98	\$1.19	\$0.81	\$3.63	\$6.61		
SUBTOTAL		0.55 HR		\$4.15	\$6.46	\$6.36	\$20.33	\$37.30		
HARVEST OPERATIONS										
COMBINE (CUSTOM)				\$9.67						\$9.67
HAUL (CUSTOM)				\$3.42						\$3.42
SUBTOTAL				\$13.09						\$13.09
OVERHEAD EXPENSES										
DOWNTIME		0.10 HR		\$0.76						\$0.76
EMPLOYEE BENEFITS				\$0.75						\$0.75
INSURANCE				\$0.08						\$0.08
LAND TAXES							\$0.34	\$0.34		
SUPERVISION AND MANAGEMENT				\$6.01						\$6.01
OTHER EXPENSES				\$15.71						\$15.71
SUBTOTAL		0.10 HR		\$15.79	\$7.51		\$0.34	\$23.64		
TOTAL OPERATING EXPENSES		0.65 HR		\$63.99	\$11.67	\$6.46	\$6.36	\$20.66	\$109.14	
NET OPERATING PROFIT									(\$27.20)	
INTEREST ON OPERATING CAPITAL	(\$21.85	@	8.00%						\$1.75
INTEREST ON EQUIPMENT INVESTMENT									\$11.20	
RETURN TO LAND AND RISK									(\$40.14)	

BUDGET SUMMARY

GROSS RETURN	\$81.94		
VARIABLE OPERATING EXPENSES	\$76.81		
RETURN OVER VARIABLE EXPENSES	\$5.13	(GROSS MARGIN)	
FIXED EXPENSES	\$20.66		
NET FARM INCOME	(\$15.53)	(RETURN TO CAPITAL, LABOR, LAND & RISK)	
LABOR AND MANAGEMENT COST	\$11.67		
NET OPERATING PROFIT	(\$27.20)	(RETURN TO CAPITAL, LAND & RISK)	
CAPITAL COSTS	\$12.95		
RETURN TO LAND AND RISK	(\$40.14)		

TABLE 5. Summary of per acre costs and returns for a 1,600 acre farm with above average management, Curry County, 2002.

	WHEAT	GRAIN
	-----DRYLAND-----	SORGHUM
PRIMARY YIELD	18.00 BUSHELS	18.00 CWT
PRIMARY PRICE	3.40	3.75
GOVERNMENT PAYMENTS	8.53	10.44
SECOND INCOME	12.00 ACRE	4.00 ACRE
GROSS RETURN	\$81.73	\$81.94
CASH OPERATING EXPENSES		
SEED	\$4.80	\$1.67
FERTILIZER		\$7.50
CHEMICALS	\$6.89	\$25.83
CROP INSURANCE	\$0.08	\$0.11
OTHER PURCHASED INPUTS		
FUEL, OIL & LUBRICANTS-EQUIPMENT	\$3.75	\$6.46
REPAIRS	\$5.37	\$6.36
CUSTOM CHARGES	\$12.13	\$13.09
LAND TAXES	\$0.34	\$0.34
OTHER EXPENSES	\$15.74	\$15.79
TOTAL CASH EXPENSES	\$49.10	\$77.14
RETURN OVER CASH EXPENSES	\$32.63	\$4.80
FIXED EXPENSES	\$13.17	\$20.33
TOTAL EXPENSES	\$62.27	\$97.47
NET FARM INCOME	\$19.46	(\$15.53)
LABOR AND MANAGEMENT COSTS	\$7.98	\$11.67
NET OPERATING PROFIT	\$11.48	(\$27.20)
CAPITAL COSTS		
INTEREST ON OPERATING CAPITAL	\$0.46	\$1.75
INTEREST ON EQUIPMENT INVESTMENT	\$7.16	\$11.20
TOTAL CAPITAL COSTS	\$7.61	\$12.95
RETURN TO LAND AND RISK	\$3.86	(\$40.14)

TABLE 6. Whole farm summary, Curry County, 2002.

GROSS RETURNS		
WHEAT	530 acres	
CROP		\$32,436
GRAZING		\$6,360
ASCS DEFICIENCY		\$3,165
ASCS DIVERSION		\$0
GRAIN SORGHUM	530 acres	
CROP		\$35,775
GRAZING		\$2,120
ASCS DEFICIENCY		\$5,533
ASCS DIVERSION		\$0
GROSS RETURN		\$85,390
CASH OPERATING EXPENSES		
SEED		\$3,676
FERTILIZER		\$3,379
CHEMICALS		\$15,832
CROP INSURANCE		\$100
OTHER PURCHASED INPUTS		\$0
FUEL, OIL & LUBRICANTS-EQUIPMENT		\$5,197
REPAIRS		\$6,139
CUSTOM CHARGES		\$13,290
LAND TAXES		\$357
OTHER EXPENSES		\$16,710
TOTAL CASH EXPENSES		\$64,680
RETURN OVER CASH EXPENSES		\$20,710
FIXED EXPENSES		\$17,186
TOTAL EXPENSES		\$81,866
NET FARM INCOME		\$3,523
LABOR AND MANAGEMENT COSTS		\$10,120
NET OPERATING PROFIT		(\$6,596)
CAPITAL COSTS		
INTEREST ON OPERATING CAPITAL		\$1,065
INTEREST ON EQUIPMENT INVESTMENT		\$9,408
TOTAL CAPITAL COSTS		\$10,473
RETURN TO LAND AND RISK		(\$17,069)

LAND VALUE	RETURN TO RISK*	RETURN ON INVESTMENT**
\$150 /ACRE	(\$26,669)	-2.03%
\$200 /ACRE	(\$29,869)	-1.63%
\$250 /ACRE	(\$33,069)	-1.36%
\$300 /ACRE	(\$36,269)	-1.17%

* 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)