

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

Item		
Labor Wage Rate:		
Equipment operators	\$/hour	\$7.55
General & Irrigators	\$/hour	\$6.45
Purchased Inputs:		
Fertilizer:		
Nitrogen (N)	\$/pound	\$0.32
Phosphate (P205)	\$/pound	\$0.30
Anhydrous (NH3)	\$/ton	\$300.00
Seed:		
Grain Sorghum	\$/pound	\$1.11
Wheat	\$/pound	\$0.16
Diesel fuel	\$/gallon	\$1.05
Gasoline	\$/gallon	\$1.00
Electricity (SWPS)	CENTS/KwHr	5.81
LP gas	\$/gallon	\$0.86
Natural Gas (Gas NM)	\$/MCF	\$3.28
Employee Liability Insurance	\$/(\$1,000 wages)	\$20.00
Employee B 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	\$109.00 /acre (full value)	\$0.92
Personal Propety 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%

BUDGET AREA..... CURRY COUNTY, 2002.
 FARM SIZE..... 520 ACRES
 IRRIGATION TYPE..... FLOOD
 NUMBER OF CROPS... 2

ACREAGE SUMMARY:	LAND USE (ACRES)	WATER USE	
		AC.IN. PER AC.	TOTAL AC.IN.
WHEAT	255	15	3,825
ARP	0		
FLEX IN WHEAT	45	15	675
GRAIN SORGHUM	170	20	3,400
ARP	0		
FLEX IN WHEAT	30	15	450
ROADS, DITCHES			
HOMESTEAD	20		
TOTAL	520		8,350
ACRE FEET PER ACRE OF WATER RIGHTS			1.34

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

ITEM		
Electricity (Domestic & Shop)		\$2,520
Telephone		\$1,320
Accounting & Legal		\$1,565
Misc. Supplies & Hand Tools		\$2,340
Pickup and Auto		\$6,900
Insurance		
- general liability (non-employee)		\$2,090
- fire/theft		\$1,674
Property Taxes		
- non-planted land		\$84
- other than land & machinery		\$595
Building repairs and maintenance		\$1,385
Dues, fees, publications		\$380
Farmstead Equipment		\$160
	Total	\$21,013
	Total Per Planted Acre	\$49.44

TABLE 2. Pumping costs and data for Curry County, 2002.

INPUT DATA

		DEPTH CHARACTERISTICS:	
		STATIC.....	300
		DRAW DOWN.....	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.....	5.81	CENTS/KwHr	
NATURAL GAS.....	\$3.28	\$/MCF	
LP GAS.....	\$0.86	\$/GAL	
DIESEL.....	\$1.05	\$/GAL	

FUEL PUMPING COSTS

ELECTRIC WELL:	
COST PER HOUR.....	\$3.44
COST PER ACRE INCH.....	\$2.83
NATURAL GAS WELL:	
COST PER HOUR.....	\$2.76
COST PER ACRE INCH.....	\$2.27
LP GAS WELL:	
COST PER HOUR.....	\$7.14
COST PER ACRE INCH.....	\$5.87
DIESEL WELL:	
COST PER HOUR.....	\$5.52
COST PER ACRE INCH.....	\$4.54

TABLE 3. Equipment summary for a 520 acre flood-irrigated wheat/grain sorghum farm with above average management, Curry County, 2002.

EQUIPMENT	ANNUAL HOURS OF USE		VARIABLE COSTS					FIXED COSTS		
			TOTAL VALUE	FUEL, OIL LUBRICANT	REPAIR	FUEL,OIL PER HR	REPAIR PER HR	DEPRECIATION	TAXES	TOTAL PER HOUR
ITEM & SIZE		NUMBER								
(DOLLARS)										
TRACTOR 140 HP	146	1	\$20,700	\$1,205	\$842	\$8.25	\$5.76	\$3,493	\$1,985	\$37.49
TRACTOR 185 HP	336	1	\$47,275	\$3,658	\$3,134	\$10.90	\$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 FURN	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	\$23,622	\$622	\$3.44	\$0.09	\$2,545	\$2,121	\$0.68
TOTAL			\$119,450	\$28,485	\$5,226			\$15,353	\$9,100	

TABLE 4. Wheat, flood-irrigated, budgeted per acre costs and returns for a 520 acre farm with above average management, Curry County, 2002.

Planting Dates: August 15 - September 15

Harvesting Dates: June 15 - July 15

ITEM	PRICE	YIELD						TOTAL
GROSS RETURNS								
WHEAT	\$3.40	65 BUSHEL						\$221.00
ASCS DEFICIENCY	\$0.474	65 BUSHEL						\$30.81
ASCS DIVERSION	\$0.00							\$0.00
GRAZING	\$40.00	1 ACRE						\$40.00
TOTAL								\$291.81
PURCHASED INPUTS								
PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS					TOTAL
SEED	\$0.16	60 LBS	\$9.60					\$9.60
ANHYDROUS AMMONIA (NH3)	\$0.1500	100 LBS	\$15.00					\$15.00
NITROGEN (N)	\$0.32	18 LBS	\$5.76					\$5.76
PHOSPHORUS (P205)	\$0.30	46 LBS	\$13.80					\$13.80
INSECTICIDE (CUSTOM)	\$9.36	1 ACRE	\$9.36					\$9.36
HERBICIDE (CUSTOM)	\$10.44	1 ACRE	\$10.44					\$10.44
PUMP WATER*		15 AC. IN.						
CROP INSURANCE	\$0.15		\$0.15					\$0.15
SUBTOTAL			\$64.11					\$64.11
PREHARVEST OPERATIONS								
PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & OIL	REPAIRS	FIXED COST	TOTAL
DISC (3X)	185 HP	0.33 HR		\$2.49	\$3.60	\$3.08	\$12.50	\$21.67
ANHYDROUS APPL	185 HP	0.17 HR		\$1.28	\$1.85	\$1.59	\$4.50	\$9.22
LISTER	185 HP	0.12 HR		\$0.91	\$1.31	\$1.28	\$4.07	\$7.57
FERT SPREADER	145 HP	0.05 HR		\$0.38	\$0.41	\$0.29	\$1.87	\$2.95
DRILL	145 HP	0.13 HR		\$0.98	\$1.07	\$1.55	\$7.88	\$11.49
IRRIGATE (3X)		1.50 HR		\$9.68	\$42.43	\$1.12	\$8.38	\$61.61
SUBTOTAL		2.30 HR		\$15.72	\$50.68	\$8.91	\$39.21	\$114.51
HARVEST OPERATIONS								
COMBINE (CUSTOM)				\$24.74				\$24.74
HAUL (CUSTOM)				\$10.40				\$10.40
SUBTOTAL				\$35.14				\$35.14
OVERHEAD EXPENSES								
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				\$22.33				\$22.33
OTHER EXPENSES				\$49.44				\$49.44
SUBTOTAL		0.20 HR		\$49.76	\$26.67		\$0.92	\$77.34
TOTAL OPERATING EXPENSES		2.50 HR		\$149.01	\$42.38	\$50.68	\$8.91	\$291.10
NET OPERATING PROFIT								\$0.71
INTEREST ON OPERATING CAPITAL	(\$49.88	@	8.00%				\$3.99
INTEREST ON EQUIPMENT INVESTMENT								\$13.18
RETURN TO LAND AND RISK								(\$16.47)

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

BUDGET SUMMARY

GROSS RETURN		\$291.81	
VARIABLE OPERATING EXPENSES	\$208.60		
RETURN OVER VARIABLE EXPENSES		\$83.21	(GROSS MARGIN)
FIXED EXPENSES	\$40.13		
NET FARM INCOME		\$43.09	(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$42.38		
NET OPERATING PROFIT		\$0.71	(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$17.17		
RETURN TO LAND AND RISK		(\$16.47)	

TABLE 5. Grain sorghum, flood-irrigated, budgeted per acre costs and returns for a 520 acre farm with above average management, Curry County, 2002.

Planting Dates: May 15 - June 15

Harvesting Dates: October 15 - November 15

ITEM	PRICE	YIELD						TOTAL
GROSS RETURNS								
GRAIN SORGHUM	\$3.75	65 CWT						\$243.75
ASCS DEFICIENCY	\$0.58	65 CWT						\$37.70
ASCS DIVERSION	\$0.00	0 CWT						\$0.00
GRAZING	\$9.00	1 ACRE						\$9.00
TOTAL								\$290.45
PURCHASED INPUTS								
PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS					TOTAL
SEED	\$1.11	5 LBS	\$5.55				\$5.55	
ANHYDROUS (NH3)	\$0.1500	150 LBS	\$22.50				\$22.50	
NITROGEN (N)	\$0.32	25 LBS	\$8.00				\$8.00	
PHOSPHORUS (P205)	\$0.30	50 LBS	\$15.00				\$15.00	
HERBICIDE (CUSTOM)	\$13.78	1 X/ACRE	\$13.78				\$13.78	
INSECTICIDE (CUSTOM)	\$13.18	1 X/ACRE	\$13.18				\$13.18	
TRACE ELEMENTS	\$13.56	1 ACRE	\$13.56				\$13.56	
PUMP WATER*		20 AC. IN.						
CROP INSURANCE	\$0.29		\$0.29				\$0.29	
SUBTOTAL			\$91.86				\$91.86	
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	\$1.20	\$1.03	\$4.17	\$7.22
CHISEL	185 HP	0.15 HR		\$1.13	\$1.64	\$1.55	\$5.63	\$9.95
DISC (2X)	185 HP	0.22 HR		\$1.66	\$2.40	\$2.06	\$8.33	\$14.45
ANHYDROUS APPL	185 HP	0.17 HR		\$1.28	\$1.85	\$1.59	\$4.50	\$9.22
LISTER	185 HP	0.12 HR		\$0.91	\$1.31	\$1.28	\$4.07	\$7.57
PRE-IRRIGATE		0.50 HR		\$3.78	\$11.32	0.30	2.24	\$17.62
ROD WEEDER	140 HP	0.08 HR		\$0.60	\$0.66	\$0.50	\$3.77	\$5.54
PLANTER	140 HP	0.17 HR		\$1.28	\$1.40	\$2.01	\$13.27	\$17.96
CULTIVATOR (2X)	140 HP	0.26 HR		\$1.96	\$2.14	\$1.94	\$12.82	\$18.87
IRRIGATE (4X)		2.00 HR		\$12.90	\$45.26	\$1.19	\$8.94	\$68.30
SUBTOTAL		3.78 HR		\$26.34	\$69.18	\$13.44	\$67.73	\$176.70
HARVEST OPERATIONS								
COMBINE (CUSTOM)			\$28.43					\$28.43
HAUL (CUSTOM)			\$12.35					\$12.35
SUBTOTAL			\$40.78					\$40.78
OVERHEAD EXPENSES								
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				\$23.22				\$23.22
OTHER EXPENSES			\$49.44					\$49.44
SUBTOTAL		0.32 HR	\$49.97	\$30.38			\$0.92	\$81.27
TOTAL OPERATING EXPENSES		4.10 HR	\$182.61	\$56.72	\$69.18	\$13.44	\$68.65	\$390.60
NET OPERATING PROFIT								(\$100.15)
INTEREST ON OPERATING CAPITAL	(\$69.98	@	8.00%				\$5.60
INTEREST ON EQUIPMENT INVESTMENT								\$23.34
RETURN TO LAND AND RISK								(\$129.09)

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

BUDGET SUMMARY

GROSS RETURN		\$290.45	
VARIABLE OPERATING EXPENSES	\$265.23		
RETURN OVER VARIABLE EXPENSES		\$25.22	(GROSS MARGIN)
FIXED EXPENSES	\$68.65		
NET FARM INCOME		(\$43.43)	(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$56.72		
NET OPERATING PROFIT		(\$100.15)	(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$28.94		
RETURN TO LAND AND RISK		(\$129.09)	

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	65.00 BUSHELS	65.00 CWT
PRIMARY PRICE	3.40	3.75
GOVERNMENT PAYMENTS	30.81	37.70
SECOND INCOME	40.00 ACRE	9.00 ACRE
GROSS RETURN	\$291.81	\$290.45
CASH OPERATING EXPENSES		
SEED	\$9.60	\$5.55
FERTILIZER	\$34.56	\$59.06
CHEMICALS	\$19.80	\$26.95
CROP INSURANCE	\$0.15	\$0.29
OTHER PURCHASED INPUTS		
CANAL WATER		
FUEL, OIL & LUBRICANTS-EQUIPMENT	\$8.24	\$12.60
FUEL-IRRIGATION	\$42.43	\$56.58
REPAIRS	\$8.91	\$13.44
CUSTOM CHARGES	\$35.14	\$40.78
LAND TAXES	\$0.92	\$0.92
OTHER EXPENSES	\$49.76	\$49.97
TOTAL CASH EXPENSES	\$209.52	\$266.15
RETURN OVER CASH EXPENSES	\$82.29	\$24.30
FIXED EXPENSES	\$39.21	\$67.73
TOTAL EXPENSES	\$248.72	\$333.88
NET FARM INCOME	\$43.09	(\$43.43)
LABOR AND MANAGEMENT COSTS	\$42.38	\$56.72
NET OPERATING PROFIT	\$0.71	(\$100.15)
CAPITAL COSTS		
INTEREST ON OPERATING CAPITAL	\$3.99	\$5.60
INTEREST ON EQUIPMENT INVESTMENT	\$13.18	\$23.34
TOTAL CAPITAL COSTS	\$17.17	\$28.94
RETURN TO LAND AND RISK	(\$16.47)	(\$129.09)

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

GROSS RETURNS		
WHEAT	330 ACRES	
CROP		\$72,930
GRAZING		\$13,200
ASCS DEFICIENCY		\$7,857
ASCS DIVERSION		\$0
GRAIN SORGHUM	170 ACRES	
CROP		\$41,438
GRAZING		\$1,530
ASCS DEFICIENCY		\$6,409
ASCS DIVERSION		\$0
GROSS RETURN		<u>\$143,363</u>
CASH OPERATING EXPENSES		
SEED		\$4,112
FERTILIZER		\$21,445
CHEMICALS		\$11,116
CROP INSURANCE		\$100
OTHER PURCHASED INPUTS		\$0
CANAL WATER		\$0
FUEL, OIL & LUBRICANTS-EQUIPMENT		\$4,863
FUEL-IRRIGATION		\$23,622
REPAIRS		\$5,226
CUSTOM CHARGES		\$18,529
LAND TAXES		\$459
OTHER EXPENSES		\$24,915
TOTAL CASH EXPENSES		<u>\$114,385</u>
RETURN OVER CASH EXPENSES		\$28,978
FIXED EXPENSES		\$24,454
TOTAL EXPENSES		\$138,839
NET FARM INCOME		\$4,524
LABOR AND MANAGEMENT COSTS		\$23,628
NET OPERATING PROFIT		(\$19,104)
CAPITAL COSTS		
INTEREST ON OPERATING CAPITAL		\$2,269
INTEREST ON EQUIPMENT INVESTMENT		\$8,319
TOTAL CAPITAL COSTS		<u>\$10,587</u>
RETURN TO LAND AND RISK		<u><u>(\$29,691)</u></u>

LAND VALUE	RETURN TO RISK*	RETURN ON INVESTMENT**
\$500 /ACRE	(\$40,091)	-5.03%
\$1,000 /ACRE	(\$50,491)	-2.99%
\$1,500 /ACRE	(\$60,891)	-2.12%
\$2,000 /ACRE	(\$71,291)	-1.65%
\$2,500 /ACRE	(\$81,691)	-1.35%

* 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)