

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

Item			
<b>Labor Wage Rate:</b>			
Equipment operators	\$/hour		\$7.55
General & Irrigators	\$/hour		\$6.75
<b>Purchased Inputs:</b>			
<b>Fertilizer:</b>			
Anhydrous Ammonia	\$/ton		\$310.00
<b>Seed:</b>			
Wheat	\$/pound		\$0.13
Grain Sorghum	\$/pound		\$1.20
Diesel fuel	\$/gallon		\$1.30
Gasoline	\$/gallon		\$1.35
Employee Liability Insurance	\$/ \$1,000 wages		\$20.00
Employee Benefits	percent/w ages		18.00%
Labor Downtime	percent		25.00%
<b>Financial Rates:</b>			
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	\$40.00 /acre (full value)		\$0.34
Personal Property Tax Rate - NR	\$/ \$1,000 (Assessed Value)		\$25.25
	- R		\$25.25
<b>Supervision Factors</b>			
Field Crop-Equipment & General	\$/labor hour		\$0.50
Management Rate	percent		7.00%

BUDGET AREA..... CURRY COUNTY, 2003.  
 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
<b>TOTAL</b>	<b>1600.00</b>

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			\$1,600
Misc. Supplies & Hand Tools			\$2,425
Pickup and Auto			
miles	30,000	@ \$0.365 per mile	\$10,950
<b>Insurance</b>			
- general liability (non-employee)			\$2,160
- fire/theft			\$1,725
<b>Property Taxes</b>			
- non-planted land			\$221
- other than land & machinery			\$1,000
Building repairs and maintenance			\$1,420
Dues, fees, publications			\$390
Farmstead Equipment			\$165
		<b>Total</b>	<b>\$26,016</b>
		<b>Total Per Planted Acre</b>	<b>\$16.36</b>

TABLE 2. Equipment summary for a 1,600 acre dryland farm with above average management, Curry County, 2003.

EQUIPMENT			VARIABLE COSTS					FIXED COSTS		
ITEM & SIZE	ANNUAL HOURS OF USE	NUMBER	TOTAL VALUE	FUEL AND LUBRICANT	REPAIR	FUEL,LUBE PER HR	REPAIR PER HR	DEPREC- IATION	TOTAL TAXES PER HOUR	
TRACTOR 155 HP	180	1	\$14,420	\$2,037	\$776	\$11.30	\$4.31	\$3,500	\$221	\$20.65
TRACTOR 330 HP	189	1	\$44,250	\$4,398	\$4,022	\$23.21	\$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			\$79,270	\$6,435	\$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, 2003.  
 Planting Dates: September 1 - October 15  
 Harvesting Dates: June 15 - July 15

ITEM	PRICE	YIELD						TOTAL
<b>GROSS RETURNS</b>								
WHEAT	\$4.50	18 BUSHELS						\$81.00
DIRECT PAYMENT	\$0.52	18 BUSHELS						\$9.36
COUNTER CYCLICAL PAYMENT	\$0.00							\$0.00
GRAZING	\$12.00	1 ACRE						\$12.00
<b>TOTAL</b>								<b>\$102.36</b>
<b>PURCHASED INPUTS</b>								
PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS					TOTAL
SEED	\$0.13	30 LBS	\$3.90					\$3.90
HERBICIDE	\$7.05	1 ACRE	\$7.05					\$7.05
CROP INSURANCE	\$0.08		\$0.08					\$0.08
<b>SUBTOTAL</b>			<b>\$11.03</b>					<b>\$11.03</b>
<b>PREHARVEST OPERATIONS</b>								
PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & OIL	REPAIRS	FIXED COST	TOTAL
SWEEP (2X)	300 HP	0.10 HR		\$0.76	\$2.32	\$2.51	\$6.20	\$11.78
ROD WEEDER	300 HP	0.05 HR		\$0.38	\$1.16	\$1.10	\$2.81	\$5.44
DRILL	300 HP	0.05 HR		\$0.38	\$1.16	\$1.77	\$4.17	\$7.47
<b>SUBTOTAL</b>		<b>0.20 HR</b>		<b>\$1.51</b>	<b>\$4.64</b>	<b>\$5.37</b>	<b>\$13.17</b>	<b>\$24.70</b>
<b>HARVEST OPERATIONS</b>								
COMBINE (CUSTOM)			\$9.25					\$9.25
HAUL (CUSTOM)			\$2.88					\$2.88
<b>SUBTOTAL</b>			<b>\$12.13</b>					<b>\$12.13</b>
<b>OVERHEAD EXPENSES</b>								
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				\$7.27				\$7.27
OTHER EXPENSES			\$16.36					\$16.36
<b>SUBTOTAL</b>		<b>0.05 HR</b>	<b>\$16.39</b>	<b>\$7.91</b>			<b>\$0.34</b>	<b>\$24.64</b>
<b>TOTAL OPERATING EXPENSES</b>		<b>0.25 HR</b>	<b>\$39.56</b>	<b>\$9.42</b>	<b>\$4.64</b>	<b>\$5.37</b>	<b>\$13.51</b>	<b>\$72.51</b>
<b>NET OPERATING PROFIT</b>								<b>\$29.85</b>
INTEREST ON OPERATING CAPITAL		( \$5.46 @ 8.00% )						\$0.44
INTEREST ON EQUIPMENT INVESTMENT								\$7.16
<b>RETURN TO LAND AND RISK</b>								<b>\$22.26</b>

**BUDGET SUMMARY**

GROSS RETURN		\$102.36	
VARIABLE OPERATING EXPENSES	\$49.57		
RETURN OVER VARIABLE EXPENSES		\$52.79	(GROSS MARGIN)
FIXED EXPENSES	\$13.51		
NET FARM INCOME		\$39.28	(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$9.42		
NET OPERATING PROFIT		\$29.85	(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$7.60		
RETURN TO LAND AND RISK		\$22.26	

TABLE 4. Grain sorghum, dryland, budgeted per acre costs and returns for a 1,600 acre farm with above average management, Curry County, 2003.  
 Planting Dates: May 15 - June 20  
 Harvesting Dates: October 15 - November 15

ITEM	PRICE	YIELD						TOTAL
<b>GROSS RETURNS</b>								
GRAIN SORGHUM	\$3.95	18 CWT						\$71.10
DIRECT PAYMENT	\$0.35	18 CWT						\$6.30
COUNTER CYCLICAL PAYMENT	\$0.00	0 CWT						\$0.00
GRAZING	\$4.00	1 ACRE						\$4.00
<b>TOTAL</b>								<b>\$81.40</b>
<b>PURCHASED INPUTS</b>								
PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS					TOTAL
SEED	\$1.20	2 LBS	\$1.80					\$1.80
ANHYDROUS	\$0.1550	50 LBS	\$7.75					\$7.75
HERBICIDE	\$13.22	1 X/ACRE	\$13.22					\$13.22
INSECTICIDE	\$13.22	1 X/ACRE	\$13.22					\$13.22
CROP INSURANCE	\$0.11		\$0.11					\$0.11
<b>SUBTOTAL</b>			<b>\$36.11</b>					<b>\$36.11</b>
<b>PREHARVEST OPERATIONS</b>								
PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & OIL	REPAIRS	FIXED COST	TOTAL
SWEEP (2X)	300 HP	0.10 HR		\$0.76	\$2.32	\$2.51	\$6.20	\$11.78
ROD WEEDER	300 HP	0.05 HR		\$0.38	\$1.16	\$1.10	\$2.81	\$5.44
ANHYDROUS APPL	155 HP	0.17 HR		\$1.28	\$1.92	\$0.73	\$3.51	\$7.45
DRILL	155 HP	0.05 HR		\$0.38	\$0.57	\$0.92	\$2.56	\$4.42
ROTARY HOE	155 HP	0.05 HR		\$0.38	\$0.57	\$0.29	\$1.63	\$2.86
CULTIVATOR	155 HP	0.13 HR		\$0.98	\$1.47	\$0.81	\$3.63	\$6.89
<b>SUBTOTAL</b>		<b>0.55 HR</b>		<b>\$4.15</b>	<b>\$8.00</b>	<b>\$6.36</b>	<b>\$20.33</b>	<b>\$38.84</b>
<b>HARVEST OPERATIONS</b>								
COMBINE (CUSTOM)			\$9.67					\$9.67
HAUL (CUSTOM)			\$3.42					\$3.42
<b>SUBTOTAL</b>			<b>\$13.09</b>					<b>\$13.09</b>
<b>OVERHEAD EXPENSES</b>								
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				\$5.97				\$5.97
OTHER EXPENSES			\$16.36				\$16.36	
<b>SUBTOTAL</b>		<b>0.10 HR</b>	<b>\$16.45</b>	<b>\$7.48</b>			<b>\$0.34</b>	<b>\$24.26</b>
<b>TOTAL OPERATING EXPENSES</b>		<b>0.65 HR</b>	<b>\$65.64</b>	<b>\$11.63</b>	<b>\$8.00</b>	<b>\$6.36</b>	<b>\$20.66</b>	<b>\$112.29</b>
<b>NET OPERATING PROFIT</b>								<b>(\$30.89)</b>
INTEREST ON OPERATING CAPITAL	(	\$22.73	@	8.00%				\$1.82
INTEREST ON EQUIPMENT INVESTMENT								\$11.20
<b>RETURN TO LAND AND RISK</b>								<b>(\$43.91)</b>

**BUDGET SUMMARY**

GROSS RETURN	\$81.40		
VARIABLE OPERATING EXPENSES	\$80.00		
RETURN OVER VARIABLE EXPENSES	\$1.40	(GROSS MARGIN)	
FIXED EXPENSES	\$20.66		
NET FARM INCOME	(\$19.27)	(RETURN TO CAPITAL, LABOR, LAND & RISK)	
LABOR AND MANAGEMENT COST	\$11.63		
NET OPERATING PROFIT	(\$30.89)	(RETURN TO CAPITAL, LAND & RISK)	
CAPITAL COSTS	\$13.02		
RETURN TO LAND AND RISK	(\$43.91)		

TABLE 5. Summary of per acre costs and returns for a 1,600 acre farm with above average management, Curry County, 2003.

	WHEAT	GRAIN SORGHUM
	-----DRYLAND-----	
PRIMARY YIELD	18.00 BUSHELS	18.00 CWT
PRIMARY PRICE	4.50	3.95
GOVERNMENT PAYMENTS	9.36	6.30
SECOND INCOME	12.00 ACRE	4.00 ACRE
GROSS RETURN	\$102.36	\$81.40
CASH OPERATING EXPENSES		
SEED	\$3.90	\$1.80
FERTILIZER		\$7.75
CHEMICALS	\$7.05	\$26.44
CROP INSURANCE	\$0.08	\$0.11
OTHER PURCHASED INPUTS		
FUEL, OIL & LUBRICANTS-EQUIPMENT	\$4.64	\$8.00
REPAIRS	\$5.37	\$6.36
CUSTOM CHARGES	\$12.13	\$13.09
LAND TAXES	\$0.34	\$0.34
OTHER EXPENSES	\$16.39	\$16.45
TOTAL CASH EXPENSES	\$49.91	\$80.34
RETURN OVER CASH EXPENSES	\$52.45	\$1.06
FIXED EXPENSES	\$13.17	\$20.33
TOTAL EXPENSES	\$63.08	\$100.67
NET FARM INCOME	\$39.28	(\$19.27)
LABOR AND MANAGEMENT COSTS	\$9.42	\$11.63
NET OPERATING PROFIT	\$29.85	(\$30.89)
CAPITAL COSTS		
INTEREST ON OPERATING CAPITAL	\$0.44	\$1.82
INTEREST ON EQUIPMENT INVESTMENT	\$7.16	\$11.20
TOTAL CAPITAL COSTS	\$7.60	\$13.02
RETURN TO LAND AND RISK	\$22.26	(\$43.91)
Flex Computation	\$42.59	(\$12.39)

TABLE 6. Whole farm summary, Curry County, 2003.

GROSS RETURNS		
WHEAT	530 acres	
CROP		\$42,930
GRAZING		\$6,360
DIRECT PAYMENT		\$3,473
COUNTER CYCLICAL PAYMENT		\$0
GRAIN SORGHUM	530 acres	
CROP		\$37,683
GRAZING		\$2,120
DIRECT PAYMENT		\$3,339
COUNTER CYCLICAL PAYMENT		\$0
GROSS RETURN		\$95,905
CASH OPERATING EXPENSES		
SEED		\$3,188
FERTILIZER		\$3,491
CHEMICALS		\$16,212
CROP INSURANCE		\$100
OTHER PURCHASED INPUTS		\$0
FUEL, OIL & LUBRICANTS-EQUIPMENT		\$6,435
REPAIRS		\$6,139
CUSTOM CHARGES		\$13,290
LAND TAXES		\$357
OTHER EXPENSES		\$17,400
TOTAL CASH EXPENSES		\$66,612
RETURN OVER CASH EXPENSES		\$29,293
FIXED EXPENSES		\$17,186
TOTAL EXPENSES		\$83,798
NET FARM INCOME		\$12,106
LABOR AND MANAGEMENT COSTS		\$10,983
NET OPERATING PROFIT		\$1,124
CAPITAL COSTS		
INTEREST ON OPERATING CAPITAL		\$1,086
INTEREST ON EQUIPMENT INVESTMENT		\$9,408
TOTAL CAPITAL COSTS		\$10,494
RETURN TO LAND AND RISK		(\$9,370)

LAND VALUE	RETURN TO RISK*	RETURN ON INVESTMENT**
\$150 /ACRE	(\$18,970)	0.35%
\$200 /ACRE	(\$22,170)	0.28%
\$250 /ACRE	(\$25,370)	0.23%
\$300 /ACRE	(\$28,570)	0.20%

\* 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)