

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: izer:			
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 E 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%

BUDGET AREA..... CURRY COUNTY, 2003.
 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, 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 COSTS					FIXED COSTS		
	ANNUAL HOURS OF USE	NUMBER	TOTAL VALUE	FUEL, OIL LUBRICANT	REPAIR	FUEL, OIL PER HR	REPAIR PER HR	DEPRECIATION	TAXES PER HOUR	TOTAL
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
TOTAL			\$111,235	\$28,393	\$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, 2003.
 Planting Dates: August 15 - September 15
 Harvesting Dates: June 15 - July 15

ITEM	PRICE	YIELD						TOTAL
GROSS RETURNS								
WHEAT	\$4.50	65 BUSHEL						\$292.50
DIRECT PAYMENT	\$0.52	65 BUSHEL						\$33.80
COUNTER CYCLICAL PAYMENT	\$0.00							\$0.00
GRAZING	\$40.00	1 ACRE						\$40.00
TOTAL								\$366.30
PURCHASED INPUTS								
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
SUBTOTAL			\$65.39					\$65.39
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	\$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
SUBTOTAL		2.30 HR		\$15.72	\$50.40	\$8.91	\$39.21	\$114.23
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				\$27.54				\$27.54
OTHER EXPENSES			\$51.40				\$51.40	
SUBTOTAL		0.20 HR	\$51.71	\$31.88			\$0.92	\$84.51
TOTAL OPERATING EXPENSES		2.50 HR	\$152.24	\$47.59	\$50.40	\$8.91	\$40.13	\$299.27
NET OPERATING PROFIT								\$67.03
INTEREST ON OPERATING CAPITAL	(\$50.45	@	8.00%				\$4.04
INTEREST ON EQUIPMENT INVESTMENT								\$13.18
RETURN TO LAND AND RISK								\$49.81

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

BUDGET SUMMARY

GROSS RETURN		\$366.30	
VARIABLE OPERATING EXPENSES	\$211.55		
RETURN OVER VARIABLE EXPENSES		\$154.75	(GROSS MARGIN)
FIXED EXPENSES	\$40.13		
NET FARM INCOME		\$114.63	(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$47.59		
NET OPERATING PROFIT		\$67.03	(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$17.22		
RETURN TO LAND AND RISK		\$49.81	

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	
GROSS RETURNS									
GRAIN SORGHUM	\$3.95	65 CWT						\$256.75	
DIRECT PAYMENT	\$0.35	65 CWT						\$22.75	
COUNTER CYCLICAL PAYMENT	\$0.00	0 CWT						\$0.00	
GRAZING	\$9.00	1 ACRE						\$9.00	
TOTAL								\$288.50	
PURCHASED INPUTS									
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		
SUBTOTAL			\$96.53				\$96.53		
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	\$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	
SUBTOTAL		3.78 HR		\$26.34	\$69.19	\$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				\$23.09				\$23.09	
OTHER EXPENSES			\$51.40					\$51.40	
SUBTOTAL		0.32 HR	\$51.92	\$30.24				\$0.92	\$83.08
TOTAL OPERATING EXPENSES		4.10 HR	\$189.24	\$56.58	\$69.19	\$13.44	\$68.65	\$397.10	
NET OPERATING PROFIT								(\$108.60)	
INTEREST ON OPERATING CAPITAL	(\$72.32	@	8.00%)	\$5.79
INTEREST ON EQUIPMENT INVESTMENT								\$23.34	
RETURN TO LAND AND RISK								(\$137.73)	

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

BUDGET SUMMARY

GROSS RETURN		\$288.50	
VARIABLE OPERATING EXPENSES	\$271.87		
RETURN OVER VARIABLE EXPENSES		\$16.63	(GROSS MARGIN)
FIXED EXPENSES	\$68.65		
NET FARM INCOME		(\$52.02)	(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$56.58		
NET OPERATING PROFIT		(\$108.60)	(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$29.13		
RETURN TO LAND AND RISK		(\$137.73)	

TABLE 6. Summary of per acre costs and returns for a 520 acre farm with above average management, Curry County, 2003.

	WHEAT	GRAIN SORGHUM
	-----FLOOD-----	
PRIMARY YIELD	65.00 BUSHELS	65.00 CWT
PRIMARY PRICE	4.50	3.95
GOVERNMENT PAYMENTS	33.80	22.75
SECOND INCOME	40.00 ACRE	9.00 ACRE
GROSS RETURN	\$366.30	\$288.50
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	\$35.14	\$40.78
LAND TAXES	\$0.92	\$0.92
OTHER EXPENSES	\$51.71	\$51.92
TOTAL CASH EXPENSES	\$212.46	\$272.78
RETURN OVER CASH EXPENSES	\$153.84	\$15.72
FIXED EXPENSES	\$39.21	\$67.73
TOTAL EXPENSES	\$251.67	\$340.52
NET FARM INCOME	\$114.63	(\$52.02)
LABOR AND MANAGEMENT COSTS	\$47.59	\$56.58
NET OPERATING PROFIT	\$67.03	(\$108.60)
CAPITAL COSTS		
INTEREST ON OPERATING CAPITAL	\$4.04	\$5.79
INTEREST ON EQUIPMENT INVESTMENT	\$13.18	\$23.34
TOTAL CAPITAL COSTS	\$17.22	\$29.13
RETURN TO LAND AND RISK	\$49.81	(\$137.73)
Flex Computation	\$102.20	(\$46.65)

TABLE 7. Whole farm summary, Curry County, 2003.

GROSS RETURNS		
WHEAT	330 ACRES	
CROP		\$96,525
GRAZING		\$13,200
DIRECT PAYMENT		\$8,619
COUNTER CYCLICAL PAYMENT		\$0
GRAIN SORGHUM	170 ACRES	
CROP		\$43,648
GRAZING		\$1,530
DIRECT PAYMENT		\$3,868
COUNTER CYCLICAL PAYMENT		\$0
GROSS RETURN		<u>\$167,389</u>
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		\$18,529
LAND TAXES		\$459
OTHER EXPENSES		\$25,892
TOTAL CASH EXPENSES		<u>\$116,487</u>
RETURN OVER CASH EXPENSES		\$50,902
FIXED EXPENSES		\$24,454
TOTAL EXPENSES		\$140,940
NET FARM INCOME		\$26,449
LABOR AND MANAGEMENT COSTS		\$25,325
NET OPERATING PROFIT		\$1,124
CAPITAL COSTS		
INTEREST ON OPERATING CAPITAL		\$2,315
INTEREST ON EQUIPMENT INVESTMENT		\$8,319
TOTAL CAPITAL COSTS		<u>\$10,634</u>
RETURN TO LAND AND RISK		<u><u>(\$9,510)</u></u>

LAND VALUE	RETURN TO RISK*	RETURN ON INVESTMENT**
\$500 /ACRE	(\$19,910)	0.30%
\$1,000 /ACRE	(\$30,310)	0.18%
\$1,500 /ACRE	(\$40,710)	0.13%
\$2,000 /ACRE	(\$51,110)	0.10%
\$2,500 /ACRE	(\$61,510)	0.08%

* 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)