

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:			
Grain Sorghum		\$/pound	\$1.20
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)			\$220.00 per month	\$2,640
Telephone			\$120.00 per month	\$1,440
Accounting & Legal				\$1,600
Misc. Supplies & Hand Tools				\$2,400
Pickup and Auto				
miles	20,000	@	\$0.367 per mile	\$7,330
Insurance				
- general liability (non-employee)				\$2,155
- fire/theft				\$1,725
Property Taxes				
- non-planted land				\$589
- other than land & machinery				\$615
Building repairs and maintenance				\$1,425
Dues, fees, publications				\$390
Farmstead Equipment				\$165
			Total	\$22,474
	Total Per	Planted	Acre	\$44.95

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/grain sorghum farm with above average management, Curry County, 2003.

EQUIPMENT ITEM & SIZE	ANNUAL HOURS OF USE		VARIABLE COSTS					FIXED COSTS		
	NUMBER	USE	TOTAL VALUE	FUEL AND LUBRICANT	REPAIR	FUEL,LUBE PER HR	REPAIR PER HR	DEPREC-IATION	TOTAL TAXES PER HOUR	
TRACTOR 140 HP	1	119	\$19,060	\$1,214	\$467	\$10.21	\$3.93	\$3,493	\$221	\$31.24
TRACTOR 185 HP	1	254	\$40,700	\$3,422	\$3,421	\$13.49	\$13.49	\$5,995	\$378	\$25.13
DISC 18 FT OFFSET	1	165	\$7,500	\$0	\$0		\$0.00	\$1,000	\$63	\$6.44
DRILL 20 FT	1	43	\$3,600	\$0	\$266		\$6.19	\$720	\$30	\$17.49
FERT SPREADER DEALER FURNI:		25		\$0	\$0					
CHISEL 9-PT	1	75	\$1,350	\$0	\$62		\$0.82	\$180	\$11	\$2.55
CULTIVATOR 6-ROW	1	22	\$2,500	\$0	\$43		\$1.95	\$333	\$21	\$16.04
PLANTER 6-ROW	1	29	\$4,250	\$0	\$174		\$6.04	\$850	\$36	\$30.65
ROD WEEDER	1	14	\$625	\$0	\$7		\$0.54	\$83	\$5	\$6.51
INJECTOR PUMP	3	4954	\$1,800	\$0	\$0		\$0.00	\$360	\$8	\$0.07
SPRINKLER	3	4954	\$45,000	\$204	\$4,483	\$0.04	\$0.91	\$6,000	\$379	\$1.29
ELECTRIC WELL	3	4954	\$39,000	\$20,537	\$448	\$4.15	\$0.09	\$3,545	\$328	\$0.78
TOTAL			\$165,385	\$25,377	\$9,371			\$22,560	\$1,480	

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 BUSHELS							\$131.10
DIRECT PAYMENT	\$0.52	38 BUSHELS							\$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)	\$0.09	460 LBS	\$41.40						\$41.40
NITROGEN (N)	\$0.36	18 LBS	\$6.48						\$6.48
PHOSPHATE (P205)	\$0.33	46 LBS	\$15.18						\$15.18
INSECTICIDE (CUSTOM)	\$10.00	1 ACRE	\$10.00						\$10.00
HERBICIDE (CUSTOM)	\$11.17	1 ACRE	\$11.17						\$11.17
PUMP WATER*		10 AC. IN.							
CROP INSURANCE	\$0.15		\$0.15						\$0.15
SUBTOTAL			\$94.78						\$94.78
PREHARVEST OPERATIONS									
PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL, LUBE	REPAIRS	FIXED COST	TOTAL	
CHISEL	185 HP	0.15 HR		\$1.13	\$2.02	\$2.15	\$4.15	\$9.46	
DISC (3X)	185 HP	0.33 HR		\$2.49	\$4.45	\$4.45	\$10.42	\$21.81	
FERT SP SPREADER	140 HP	0.05 HR		\$0.38	\$0.51	\$0.20	\$1.56	\$2.65	
DRILL	140 HP	0.13 HR		\$0.98	\$1.33	\$1.32	\$6.33	\$9.96	
IRRIGATE (7X)		0.70 HR		\$4.73	\$34.45	\$8.19	\$17.64	\$65.01	
SUBTOTAL		1.36 HR		\$9.71	\$42.77	\$16.30	\$40.11	\$108.89	
HARVEST OPERATIONS									
COMBINE (CUSTOM)			\$17.52						\$17.52
HAUL (C' (CUSTOM)			\$6.08						\$6.08
SUBTOTAL			\$23.60						\$23.60
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			\$44.95						\$44.95
SUBTOTAL		0.17 HR	\$45.14	\$17.31			\$0.92	\$63.37	
TOTAL OPERATING EXPENSES		1.53 HR	\$163.53	\$27.02	\$42.77	\$16.30	\$41.03	\$290.64	
NET OPERATING PROFIT								(\$99.78)	
INTEREST ON OPERATING CAPITAL	(\$64.13	@	8.00%					\$5.13
INTEREST ON EQUIPMENT INVESTMENT									\$16.03
RETURN TO LAND AND RISK								(\$120.94)	

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

BUDGET SUMMARY

GROSS RETURN		\$190.86	
VARIABLE OPERATING EXPENSES	\$222.60		
RETURN OVER VARIABLE EXPENSES		(\$31.74)	(GROSS MARGIN)
FIXED EXPENSES	\$41.03		
NET FARM INCOME		(\$72.76)	(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$27.02		
NET OPERATING PROFIT		(\$99.78)	(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$21.16		
RETURN TO LAND AND RISK		(\$120.94)	

TABLE 5. Grain sorghum, sprinkler-irrigated, budgeted per acre costs and returns for a 640 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	\$4.39	48	CWT					\$210.72		
DIRECT PAYMENT	\$0.625	48	CWT					\$30.00		
COUNTER CYCLICAL PAYMENT	\$0.00	0	CWT					\$0.00		
GRAZING	\$9.00	1	ACRE					\$9.00		
TOTAL								\$249.72		
PURCHASED INPUTS										
PURCHASED INPUTS	PRICE	QUANTITY		PURCHASED INPUTS				TOTAL		
SEED	\$1.20	5	LBS	\$6.00			\$6.00			
LIQUID FERT (28-0-0)	\$0.09	500	LBS	\$45.00			\$45.00			
NITROGEN (N)	\$0.36	25	LBS	\$9.00			\$9.00			
PHOSPHATE (P205)	\$0.33	50	LBS	\$16.50			\$16.50			
HERBICIDE (CUSTOM)	\$11.57	1	X/ACRE	\$11.57			\$11.57			
INSECTICIDE (CUSTOM)	\$5.68	1	X/ACRE	\$5.68			\$5.68			
TRACE ELEMENTS	\$16.00	1	ACRE	\$16.00			\$16.00			
PUMP WATER*		16	AC. IN.							
CROP INSURANCE	\$0.29			\$0.29			\$0.29			
SUBTOTAL				\$110.05			\$110.05			
PREHARVEST OPERATIONS										
	POWER UNIT	ACCOMPLISHMENT RATE		PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL	
DISC	185 HP	0.11	HR		\$0.83	\$1.48	\$1.48	\$3.47	\$7.27	
CHISEL	185 HP	0.15	HR		\$1.13	\$2.02	\$2.15	\$4.15	\$9.46	
DISC (2X)	185 HP	0.22	HR		\$1.66	\$2.97	\$2.97	\$6.95	\$14.54	
FERT SPREADER	140 HP	0.05	HR		\$0.38	\$0.51	\$0.20	\$1.56	\$2.65	
ROD WEEDER	185 HP	0.08	HR		\$0.60	\$1.08	\$1.12	\$2.53	\$5.34	
PLANT ER	140 HP	0.17	HR		\$1.28	\$1.74	\$1.69	\$10.52	\$15.23	
CULTIVATOR	140 HP	0.13	HR		\$0.98	\$1.33	\$0.76	\$6.15	\$9.22	
IRRIGATE (10X)		1.00	HR		\$6.75	\$55.13	\$13.11	\$28.23	\$103.21	
SUBTOTAL		1.91	HR		\$13.62	\$66.26	\$23.48	\$63.56	\$166.91	
HARVEST OPERATIONS										
COMBINE (CUSTOM)					\$23.67				\$23.67	
HAUL (CUSTOM)					\$9.12				\$9.12	
SUBTOTAL					\$32.79				\$32.79	
OVERHEAD EXPENSES										
DOWNTIME		0.22	HR		\$1.62				\$1.62	
EMPLOYEE BENEFITS					\$2.45				\$2.45	
INSURANCE					\$0.27				\$0.27	
LAND TAXES							\$0.92		\$0.92	
SUPERVISION AND MANAGEMENT					\$18.94				\$18.94	
OTHER EXPENSES					\$44.95				\$44.95	
SUBTOTAL		0.22	HR		\$45.22	\$23.01		\$0.92	\$69.15	
TOTAL OPERATING EXPENSES		2.13	HR		\$188.06	\$36.63	\$66.26	\$23.48	\$64.47	\$378.90
NET OPERATING PROFIT									(\$129.18)	
INTEREST ON OPERATING CAPITAL	(\$80.19	@	8.00%)				\$6.42	
INTEREST ON EQUIPMENT INVESTMENT									\$25.02	
RETURN TO LAND AND RISK									(\$160.61)	

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

BUDGET SUMMARY

GROSS RETURN		\$249.72	
VARIABLE OPERATING EXPENSES	\$277.80		
RETURN OVER VARIABLE EXPENSES		(\$28.08)	(GROSS MARGIN)
FIXED EXPENSES	\$64.47		
NET FARM INCOME		(\$92.55)	(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$36.63		
NET OPERATING PROFIT		(\$129.18)	(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$31.43		
RETURN TO LAND AND RISK		(\$160.61)	

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

	WHEAT -----SPRINKLER-----	GRAIN SORGHUM
PRIMARY YIELD	38.00 BUSHELS	48.00 CWT
PRIMARY PRICE	3.45	4.39
GOVERNMENT PAYMENTS	19.76	30.00
SECOND INCOME	40.00 ACRE	9.00 ACRE
GROSS RETURN	\$190.86	\$249.72
CASH OPERATING EXPENSES		
SEED	\$10.40	\$6.00
FERTILIZER	\$63.06	\$86.50
CHEMICALS	\$21.17	\$17.25
CROP INSURANCE	\$0.15	\$0.29
OTHER PURCHASED INPUTS		
CANAL WATER		
FUEL, OIL & LUBRICANTS-EQUIPMENT	\$8.31	\$11.13
FUEL-IRRIGATION	\$34.45	\$55.13
REPAIRS	\$16.30	\$23.48
CUSTOM CHARGES	\$23.60	\$32.79
LAND TAXES	\$0.92	\$0.92
OTHER EXPENSES	\$45.14	\$45.22
TOTAL CASH EXPENSES	\$223.51	\$278.72
RETURN OVER CASH EXPENSES	(\$32.65)	(\$29.00)
FIXED EXPENSES	\$40.11	\$63.56
TOTAL EXPENSES	\$263.62	\$342.27
NET FARM INCOME	(\$72.76)	(\$92.55)
LABOR AND MANAGEMENT COSTS	\$27.02	\$36.63
NET OPERATING PROFIT	(\$99.78)	(\$129.18)
CAPITAL COSTS		
INTEREST ON OPERATING CAPITAL	\$5.13	\$6.42
INTEREST ON EQUIPMENT INVESTMENT	\$16.03	\$25.02
TOTAL CAPITAL COSTS	\$21.16	\$31.43
RETURN TO LAND AND RISK	(\$120.94)	(\$160.61)

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

GROSS RETURNS		
WHEAT	255 ACRES	
CROP		\$33,431
GRAZING		\$10,200
DIRECT PAYMENT		\$3,557
COUNTER CYCLICAL PAYMENT		\$0
GRAIN SORGHUM	170 ACRES	
CROP		\$35,822
GRAZING		\$1,530
DIRECT PAYMENT		\$5,100
COUNTER CYCLICAL PAYMENT		\$0
GROSS RETURN		\$89,640
CASH OPERATING EXPENSES		
SEED		\$4,452
FERTILIZER		\$35,515
CHEMICALS		\$9,920
CROP INSURANCE		\$100
OTHER PURCHASED INPUTS		\$0
CANAL WATER		\$0
FUEL, OIL & LUBRICANTS-EQUIPMENT		\$4,636
FUEL-IRRIGATION		\$20,741
REPAIRS		\$9,371
CUSTOM CHARGES		\$13,363
LAND TAXES		\$459
OTHER EXPENSES		\$22,585
TOTAL CASH EXPENSES		\$121,141
RETURN OVER CASH EXPENSES		(\$31,501)
FIXED EXPENSES		\$24,040
TOTAL EXPENSES		\$145,181
NET FARM INCOME		(\$55,542)
LABOR AND MANAGEMENT COSTS		\$15,143
NET OPERATING PROFIT		(\$70,684)
CAPITAL COSTS		
INTEREST ON OPERATING CAPITAL		\$2,784
INTEREST ON EQUIPMENT INVESTMENT		\$9,543
TOTAL CAPITAL COSTS		\$12,326
RETURN TO LAND AND RISK		(\$83,011)

LAND VALUE	RETURN TO RISK*	RETURN ON INVESTMENT**
\$500 /ACRE	(\$95,811)	-14.56%
\$1,000 /ACRE	(\$108,611)	-8.78%
\$1,500 /ACRE	(\$121,411)	-6.28%
\$2,000 /ACRE	(\$134,211)	-4.89%
\$2,500 /ACRE	(\$147,011)	-4.00%

* 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)