

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:			
Anhydrous Ammonia	\$/ton		\$310.00
Seed:			
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%
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	\$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, 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
TOTAL	1600.00

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
Insurance			
- general liability (non-employee)			\$2,160
- fire/theft			\$1,725
Property Taxes			
- non-planted land			\$221
- other than land & machinery			\$1,000
Building repairs and maintenance			\$1,420
Dues, fees, publications			\$390
Farmstead Equipment			\$165
		Total	\$26,016
		Total Per Planted Acre	\$16.36

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
GROSS RETURNS								
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
TOTAL								\$102.36
PURCHASED INPUTS								
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
SUBTOTAL			\$11.03					\$11.03
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
SUBTOTAL		0.20 HR		\$1.51	\$4.64	\$5.37	\$13.17	\$24.70
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				\$7.27				\$7.27
OTHER EXPENSES			\$16.36				\$16.36	
SUBTOTAL		0.05 HR	\$16.39	\$7.91			\$0.34	\$24.64
TOTAL OPERATING EXPENSES		0.25 HR	\$39.56	\$9.42	\$4.64	\$5.37	\$13.51	\$72.51
NET OPERATING PROFIT								\$29.85
INTEREST ON OPERATING CAPITAL		(\$5.46 @ 8.00%)						\$0.44
INTEREST ON EQUIPMENT INVESTMENT								\$7.16
RETURN TO LAND AND RISK								\$22.26

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
GROSS RETURNS								
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
TOTAL								\$81.40
PURCHASED INPUTS								
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
SUBTOTAL			\$36.11					\$36.11
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	\$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
SUBTOTAL		0.55 HR		\$4.15	\$8.00	\$6.36	\$20.33	\$38.84
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				\$5.97				\$5.97
OTHER EXPENSES			\$16.36				\$16.36	
SUBTOTAL		0.10 HR	\$16.45	\$7.48			\$0.34	\$24.26
TOTAL OPERATING EXPENSES		0.65 HR	\$65.64	\$11.63	\$8.00	\$6.36	\$20.66	\$112.29
NET OPERATING PROFIT								(\$30.89)
INTEREST ON OPERATING CAPITAL	(\$22.73	@	8.00%				\$1.82
INTEREST ON EQUIPMENT INVESTMENT								\$11.20
RETURN TO LAND AND RISK								(\$43.91)

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)