

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%

BUDGET AREA.....	CURRY COUNTY, 2003.		
FARM SIZE	640 ACRES		
IRRIGATION TYPE.....	SPRINKLER		
NUMBER OF CROPS.....	2		
WATER USE			
ACREAGE SUMMARY:			
	AC. IN.	TOTAL	AC. IN.
WHEAT	255	10	2,550
ARP	0		
FLEX IN WHEAT	45	10	450
GRAIN SORGHUM	170	16	2,720
ARP	0		
FLEX IN WHEAT	30	10	300
CORNERS, ROADS, HOMESTEAD	140		
TOTAL	640		6,020
ACRE FEET PER ACRE OF WATER RIGHTS			0.78

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: SPRINKLER... 40	DEPTH CHARACTERISTICS: 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		VARIABLE COSTS					FIXED COSTS		
	HOURS OF USE	NUMBER	TOTAL VALUE	FUEL AND LUBRICANT	REPAIR	FUEL,LUBE PER HR	REPAIR PER HR	DEPRECIATION	TOTAL TAXES PER HOUR	
TRACTOR 140 HP	119	1	\$19,060	\$1,214	\$467	\$10.21	\$3.93	\$3,493	\$221	\$31.24
TRACTOR 185 HP	254	1	\$40,700	\$3,422	\$3,421	\$13.49	\$13.49	\$5,995	\$378	\$25.13
DISC 18 FT OFFSET	165	1	\$7,500	\$0	\$0		\$0.00	\$1,000	\$63	\$6.44
DRILL 20 FT	43	1	\$3,600	\$0	\$266		\$6.19	\$720	\$30	\$17.49
FERT SPREADER DEALER FURNI:	25			\$0	\$0					
CHISEL 9-PT	75	1	\$1,350	\$0	\$62		\$0.82	\$180	\$11	\$2.55
CULTIVATOR 6-ROW	22	1	\$2,500	\$0	\$43		\$1.95	\$333	\$21	\$16.04
PLANTER 6-ROW	29	1	\$4,250	\$0	\$174		\$6.04	\$850	\$36	\$30.65
ROD WEEDER	14	1	\$625	\$0	\$7		\$0.54	\$83	\$5	\$6.51
INJECTOR PUMP	4954	3	\$1,800	\$0	\$0		\$0.00	\$360	\$8	\$0.07
SPRINKLER	4954	3	\$45,000	\$204	\$4,483	\$0.04	\$0.91	\$6,000	\$379	\$1.29
ELECTRIC WELL	4954	3	\$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	\$4.50	75 BUSHELS							\$337.50
DIRECT PAYMENT	\$0.52	75 BUSHELS							\$39.00
COUNTER CYCLICAL PAYMENT	\$0.00								\$0.00
GRAZING	\$40.00	1 ACRE							\$40.00
TOTAL									\$416.50
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)			\$24.55						\$24.55
HAUL (C' (CUSTOM)			\$12.00						\$12.00
SUBTOTAL			\$36.55						\$36.55
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				\$30.11					\$30.11
OTHER EXPENSES			\$44.95						\$44.95
SUBTOTAL		0.17 HR	\$45.14	\$33.10			\$0.92	\$79.16	
TOTAL OPERATING EXPENSES		1.53 HR	\$176.48	\$42.81	\$42.77	\$16.30	\$41.03	\$319.38	
NET OPERATING PROFIT								\$97.12	
INTEREST ON OPERATING CAPITAL	(\$65.20	@	8.00%					\$5.22
INTEREST ON EQUIPMENT INVESTMENT								\$16.03	
RETURN TO LAND AND RISK								\$75.87	

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

BUDGET SUMMARY

GROSS RETURN		\$416.50	
VARIABLE OPERATING EXPENSES	\$235.55		
RETURN OVER VARIABLE EXPENSES		\$180.95	(GROSS MARGIN)
FIXED EXPENSES	\$41.03		
NET FARM INCOME		\$139.93	(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$42.81		
NET OPERATING PROFIT		\$97.12	(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$21.25		
RETURN TO LAND AND RISK		\$75.87	

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	\$4.29	65	CWT					\$278.85	
DIRECT PAYMENT	\$0.625	65	CWT					\$40.63	
COUNTER CYCLICAL PAYMENT	\$0.00	0	CWT					\$0.00	
GRAZING	\$9.00	1	ACRE					\$9.00	
TOTAL								\$328.48	
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)					\$28.43				\$28.43
HAUL (CUSTOM)					\$12.35				\$12.35
SUBTOTAL					\$40.78				\$40.78
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					\$24.45				\$24.45
OTHER EXPENSES					\$44.95				\$44.95
SUBTOTAL		0.22	HR		\$45.22	\$28.52		\$0.92	\$74.66
TOTAL OPERATING EXPENSES		2.13	HR		\$196.05	\$42.14	\$66.26	\$23.48	\$64.47
NET OPERATING PROFIT									(\$63.93)
INTEREST ON OPERATING CAPITAL	(\$80.86	@	8.00%)				\$6.47
INTEREST ON EQUIPMENT INVESTMENT									\$25.02
RETURN TO LAND AND RISK									(\$95.42)

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

BUDGET SUMMARY

GROSS RETURN		\$328.48	
VARIABLE OPERATING EXPENSES	\$285.79		
RETURN OVER VARIABLE EXPENSES	\$42.69		(GROSS MARGIN)
FIXED EXPENSES	\$64.47		
NET FARM INCOME		(\$21.79)	(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$42.14		
NET OPERATING PROFIT		(\$63.93)	(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$31.48		
RETURN TO LAND AND RISK		(\$95.42)	

TABLE 6. Summary of per acre costs and returns for a 640 acre farm with above average management, Curry County, 2003.

	WHEAT	GRAIN SORGHUM
	-----SPRINKLER-----	
PRIMARY YIELD	75.00 BUSHELS	65.00 CWT
PRIMARY PRICE	4.50	4.29
GOVERNMENT PAYMENTS	39.00	40.63
SECOND INCOME	40.00 ACRE	9.00 ACRE
GROSS RETURN	\$416.50	\$328.48
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	\$36.55	\$40.78
LAND TAXES	\$0.92	\$0.92
OTHER EXPENSES	\$45.14	\$45.22
TOTAL CASH EXPENSES	\$236.46	\$286.71
RETURN OVER CASH EXPENSES	\$180.04	\$41.77
FIXED EXPENSES	\$40.11	\$63.56
TOTAL EXPENSES	\$276.57	\$350.26
NET FARM INCOME	\$139.93	(\$21.79)
LABOR AND MANAGEMENT COSTS	\$42.81	\$42.14
NET OPERATING PROFIT	\$97.12	(\$63.93)
CAPITAL COSTS		
INTEREST ON OPERATING CAPITAL	\$5.22	\$6.47
INTEREST ON EQUIPMENT INVESTMENT	\$16.03	\$25.02
TOTAL CAPITAL COSTS	\$21.25	\$31.48
RETURN TO LAND AND RISK	\$75.87	(\$95.42)

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

GROSS RETURNS		
WHEAT	255 ACRES	
CROP		\$86,063
GRAZING		\$10,200
DIRECT PAYMENT		\$7,020
COUNTER CYCLICAL PAYMENT		\$0
GRAIN SORGHUM	170 ACRES	
CROP		\$47,405
GRAZING		\$1,530
DIRECT PAYMENT		\$6,906
COUNTER CYCLICAL PAYMENT		\$0
GROSS RETURN		\$159,123
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		\$18,995
LAND TAXES		\$459
OTHER EXPENSES		\$22,585
TOTAL CASH EXPENSES		\$126,773
RETURN OVER CASH EXPENSES		\$32,351
FIXED EXPENSES		\$24,040
TOTAL EXPENSES		\$150,813
NET FARM INCOME		\$8,310
LABOR AND MANAGEMENT COSTS		\$21,292
NET OPERATING PROFIT		(\$12,982)
CAPITAL COSTS		
INTEREST ON OPERATING CAPITAL		\$2,821
INTEREST ON EQUIPMENT INVESTMENT		\$9,543
TOTAL CAPITAL COSTS		\$12,364
RETURN TO LAND AND RISK		(\$25,346)

LAND VALUE	RETURN TO RISK*	RETURN ON INVESTMENT**
\$500 /ACRE	(\$38,146)	-2.67%
\$1,000 /ACRE	(\$50,946)	-1.61%
\$1,500 /ACRE	(\$63,746)	-1.15%
\$2,000 /ACRE	(\$76,546)	-0.90%
\$2,500 /ACRE	(\$89,346)	-0.74%

* 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)