

TABLE 1. Acreage Summary, Curry County,
Projected 2004.

BUDGET AREA.....	CURRY COUNTY
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	1,600.00

TABLE 2. Basic cost information for Curry County,
Projected 2004.

Item		
Labor Wage Rate:		
Equipment operators	\$/hour	\$7.55
General & Irrigators	\$/hour	\$6.75
Purchased Inputs:		
Fertilizer:		
Anhydrous Ammonia	\$/ton	\$450.00
Seed:		
Wheat	\$/pound	\$0.18
Grain Sorghum	\$/pound	\$1.30
Diesel fuel	\$/gallon	\$1.50
Gasoline	\$/gallon	\$1.45
Employee Liability Insurance	\$/ \$1,000 wages	\$20.00
Employee Benefits	percent/wages	18.00%
Labor Downtime	percent	25.00%
Financial Rates:		
Operating Capital Interest Rate	percent	6.50%
Land Interest Rate	percent	6.00%
Equipment Interest Rate	percent	6.50%
Real Interest Rate	percent	4.00%
Land Taxes	\$40.00 /acre (full value)	\$0.33
Personal Property Tax Rate	- NR - R	\$/ \$1,000 (Assessed Value) \$25.05 \$25.05
Supervision Factors		
Field Crop-Equipment & General	\$/labor hour	\$0.50
Management Rate	percent	7.00%

TABLE 3. Overhead cost information for Curry County,
Projected 2004.

Item		
Electricity (Domestic & Shop)	\$220.00 per month	\$2,640
Telephone	\$120.00 per month	\$1,440
Accounting & Legal		\$1,650
Misc. Supplies & Hand Tools		\$2,495
Pickup and Auto		
miles	30,000 @	\$0.365 per mile
Insurance		
- general liability (non-employee)		\$2,225
- fire/theft		\$1,775
Property Taxes		
- non-planted land		\$224
- other than land & machinery		\$1,030
Building repairs and maintenance		\$1,460
Dues, fees, publications		\$400
Farmstead Equipment		\$170
	Total	<u>\$26,459</u>
	Total Per Planted Acre	\$16.64

TABLE 4. Equipment summary for a 1,600 acre dryland farm with above average management, Curry County
Projected 2004.

EQUIPMENT		ANNUAL HOURS OF USE	NUMBER	TOTAL VALUE	VARIABLE COSTS			FIXED COSTS			
ITEM & SIZE	FUEL, OIL, LUBRICANT				REPAIR	FUEL, OIL PER HR	REPAIR PER HR	DEPRECIATION	TAXES	TOTAL PER HR	
TRACTOR	155 HP	180	1	\$14,420	\$2,350	\$776	\$13.04	\$4.31	\$3,500	\$219	\$20.64
TRACTOR	330 HP	189	1	\$41,650	\$5,074	\$4,022	\$26.78	\$21.23	\$9,433	\$591	\$52.90
DRILL	40 FT	53	1	\$7,750		\$748		\$14.11	\$1,550	\$65	\$30.47
FERT SPREADER	DEALER FURNISHED	77	1								
SWEEPS	45 FT	106	1	\$6,750		\$408		\$3.85	\$900	\$56	\$9.02
ROTARY HOE	24 FT	23	1	\$1,900		\$33		\$1.48	\$253	\$16	\$11.95
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				\$76,670	\$7,424	\$6,139			\$16,197	\$982	

TABLE 5. Wheat, dryland, budgeted per acre costs and returns for a 1,600 acre farm with above average management, Curry County, Projected 2004.
 Planting Dates: September 1 - October 15
 Harvesting Dates: June 15 - July 15

ITEM	PRICE	YIELD	Base	TOTAL
GROSS RETURNS				
WHEAT	\$3.75	21.00 BUSHELS		\$78.75
DIRECT PAYMENT	\$0.52	21.00 BUSHE	0.85	\$9.28
COUNTER CYCLICAL PAYMENT	\$0.00			\$0.00
GRAZING	\$12.00	1.00 ACRE		\$12.00
TOTAL				\$100.03

PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS	FIXED COST	TOTAL
SEED	\$0.18	30 LBS	\$5.40		\$5.40
HERBICIDE	\$7.05	1 ACRE	\$7.05		\$7.05
CROP INSURANCE	\$0.08		\$0.08		\$0.08
SUBTOTAL			\$12.53		\$12.53

PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
SWEEP (2X)	300 HP	0.10 HR		\$0.76	\$2.68	\$2.51	\$6.19	\$12.13
ROD WEEDER	300 HP	0.05 HR		\$0.38	\$1.34	\$1.10	\$2.81	\$5.62
DRILL	300 HP	0.05 HR		\$0.38	\$1.34	\$1.77	\$4.17	\$7.65
SUBTOTAL		0.20 HR		\$1.51	\$5.36	\$5.37	\$13.17	\$25.41

HARVEST OPERATIONS					
COMBINE (CUSTOM)			\$9.43		\$9.43
HAUL (CUSTOM)			\$3.36		\$3.36
SUBTOTAL			\$12.79		\$12.79

OVERHEAD EXPENSES					
DOWNTIME		0.05 HR		\$0.38	\$0.38
EMPLOYEE BENEFITS				\$0.27	\$0.27
INSURANCE			\$0.03		\$0.03
LAND TAXES					\$0.33
SUPERVISION AND MANAGEMENT				\$7.10	\$7.10
OTHER EXPENSES			\$16.64		\$16.64
SUBTOTAL		0.05 HR	\$16.67	\$7.75	\$24.76

TOTAL OPERATING EXPENSES 0.25 HR \$42.00 \$9.26 \$5.36 \$5.37 \$13.50 \$75.49

NET OPERATING PROFIT \$24.54

INTEREST ON OPERATING CAPITAL (\$6.45 @ 6.50%) \$0.42
 INTEREST ON EQUIPMENT INVESTMENT \$5.82

RETURN TO LAND AND RISK \$18.31

BUDGET SUMMARY

GROSS RETURN		\$100.03	
VARIABLE OPERATING EXPENSES	\$52.73		
RETURN OVER VARIABLE EXPENSES		\$47.31	(GROSS MARGIN)
FIXED EXPENSES	\$13.50		
NET FARM INCOME		\$33.81	(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$9.26		
NET OPERATING PROFIT		\$24.54	(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$6.24		
RETURN TO LAND AND RISK		\$18.31	

TABLE 6. Grain sorghum, dryland, budgeted per acre costs and returns for a 1,600 acre farm with aboveaverage management, Curry County, Projected 2004.
 Planting Dates: May 15 - June 20
 Harvesting Dates: October 15 - November 15

ITEM	PRICE	YIELD	BASE	TOTAL
GROSS RETURNS				
GRAIN SORGHUM	\$4.03	21.00 CWT		\$84.63
DIRECT PAYMENT	\$0.35	18.00 CWT	0.85	\$5.36
COUNTER CYCLICAL PAYMENT	\$0.00	0.00 CWT		\$0.00
GRAZING	\$4.00	1.00 ACRE		\$4.00
TOTAL				\$93.99

PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS	FIXED COST	TOTAL
SEED	\$1.30	2 LBS	\$1.95		\$1.95
ANHYDROUS	\$0.23	50 LBS	\$11.25		\$11.25
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			\$39.76		\$39.76

PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
SWEEP (2X)	300 HP	0.10 HR		\$0.76	\$2.68	\$2.51	\$6.19	\$12.13
ROD WEEDER	300 HP	0.05 HR		\$0.38	\$1.34	\$1.10	\$2.81	\$5.62
ANHYDROUS APPL	155 HP	0.17 HR		\$1.28	\$2.22	\$0.73	\$3.51	\$7.74
DRILL	155 HP	0.05 HR		\$0.38	\$0.65	\$0.92	\$2.56	\$4.51
ROTARY HOE	155 HP	0.05 HR		\$0.38	\$0.65	\$0.29	\$1.63	\$2.95
CULTIVATOR	155 HP	0.13 HR		\$0.98	\$1.70	\$0.81	\$3.63	\$7.11
SUBTOTAL		0.55 HR		\$4.15	\$9.23	\$6.36	\$20.32	\$40.06

HARVEST OPERATIONS

COMBINE (CUSTOM)			\$9.67					\$9.67
HAUL (CUSTOM)			\$3.99					\$3.99
SUBTOTAL			\$13.66					\$13.66

OVERHEAD EXPENSES

DOWNTIME		0.10 HR		\$0.76				\$0.76
EMPLOYEE BENEFITS INSURANCE			\$0.08	\$0.75				\$0.75
LAND TAXES							\$0.33	\$0.33
SUPERVISION AND MANAGEMENT OTHER EXPENSES			\$16.64	\$6.85				\$6.85
SUBTOTAL		0.10 HR	\$16.72	\$8.36			\$0.33	\$25.41

TOTAL OPERATING EXPENSES 0.65 HR \$70.14 \$12.51 \$9.23 \$6.36 \$20.65 \$118.89

NET OPERATING PROFIT (\$24.91)

INTEREST ON OPERATING CAPITAL	(\$24.91	@	6.50%)	\$1.62
INTEREST ON EQUIPMENT INVESTMENT						\$9.10

RETURN TO LAND AND RISK (\$35.63)

BUDGET SUMMARY

GROSS RETURN		\$93.99		
VARIABLE OPERATING EXPENSES	\$85.73			
RETURN OVER VARIABLE EXPENSES		\$8.25	(GROSS MARGIN)	
FIXED EXPENSES	\$20.65			
NET FARM INCOME		(\$12.40)	(RETURN TO CAPITAL, LABOR, LAND & RISK)	
LABOR AND MANAGEMENT COST	\$12.51			
NET OPERATING PROFIT		(\$24.91)	(RETURN TO CAPITAL, LAND & RISK)	
CAPITAL COSTS	\$10.72			
RETURN TO LAND AND RISK		(\$35.63)		

TABLE 7. Summary of per acre costs and returns for a 1,600 acre farm with above average management, Curry County, Projected 2004.

	WHEAT	GRAIN SORGHUM
	BUSHEL	CWT
PRIMARY YIELD	21.00	21.00
PRIMARY PRICE	\$3.75	\$4.03
GOVERNMENT PAYMENTS	\$9.28	\$5.36
SECOND INCOME	\$12.00 ACRE	\$4.00 ACRE
GROSS RETURN	\$100.03	\$93.99
CASH OPERATING EXPENSES		
SEED	\$5.40	\$1.95
FERTILIZER		\$11.25
CHEMICALS	\$7.05	\$26.44
CROP INSURANCE	\$0.08	\$0.11
OTHER PURCHASED INPUTS		
FUEL, OIL & LUBRICANTS-EQUIPMENT	\$5.36	\$9.23
REPAIRS	\$5.37	\$6.36
CUSTOM CHARGES	\$12.79	\$13.66
LAND TAXES	\$0.33	\$0.33
OTHER EXPENSES	\$16.67	\$16.72
TOTAL CASH EXPENSES	\$53.06	\$86.07
RETURN OVER CASH EXPENSES	\$46.97	\$7.92
FIXED EXPENSES	\$13.17	\$20.32
TOTAL EXPENSES	\$66.23	\$106.38
NET FARM INCOME	\$33.81	(\$12.40)
LABOR AND MANAGEMENT COSTS	\$9.26	\$12.51
NET OPERATING PROFIT	\$24.54	(\$24.91)
CAPITAL COSTS		
INTEREST ON OPERATING CAPITAL	\$0.42	\$1.62
INTEREST ON EQUIPMENT INVESTMENT	\$5.82	\$9.10
TOTAL CAPITAL COSTS	\$6.24	\$10.72
RETURN TO LAND AND RISK	\$18.31	(\$35.63)

TABLE 8. Whole farm summary, Curry County,
Projected 2004.

GROSS RETURNS		
WHEAT	530 acres	
CROP		\$41,738
GRAZING		\$6,360
DIRECT PAYMENT		\$3,444
COUNTER CYCLICAL PAYMENT		\$0
GRAIN SORGHUM	530 acres	
CROP		\$44,854
GRAZING		\$2,120
DIRECT PAYMENT		\$2,838
COUNTER CYCLICAL PAYMENT		\$0
GROSS RETURN		<u>\$101,353</u>
CASH OPERATING EXPENSES		
SEED		\$4,170
FERTILIZER		\$5,068
CHEMICALS		\$16,212
CROP INSURANCE		\$100
OTHER PURCHASED INPUTS		\$0
FUEL, OIL & LUBRICANTS-EQUIPMENT		\$7,424
REPAIRS		\$6,139
CUSTOM CHARGES		\$13,949
LAND TAXES		\$354
OTHER EXPENSES		\$17,695
TOTAL CASH EXPENSES		<u>\$71,112</u>
RETURN OVER CASH EXPENSES		\$30,241
FIXED EXPENSES		\$17,179
TOTAL EXPENSES		\$88,291
NET FARM INCOME		\$13,062
LABOR AND MANAGEMENT COSTS		\$11,280
NET OPERATING PROFIT		\$1,782
CAPITAL COSTS		
INTEREST ON OPERATING CAPITAL		\$985
INTEREST ON EQUIPMENT INVESTMENT		\$7,644
TOTAL CAPITAL COSTS		<u>\$8,629</u>
RETURN TO LAND AND RISK		<u><u>(\$6,847)</u></u>

LAND VALUE	RETURN TO RISK*	RETURN ON INVESTMENT**
\$150 /ACRE	(\$16,447)	0.56%
\$200 /ACRE	(\$19,647)	0.45%
\$250 /ACRE	(\$22,847)	0.37%
\$300 /ACRE	(\$26,047)	0.32%

* 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)