

TABLE 8. Summary of per acre costs and returns for a 520 acre farm with above average management, Curry County
Actual 2004

	WHEAT	GRAIN SORGHUM
	BUSHEL	CWT
PRIMARY YIELD	65.00	65.00
PRIMARY PRICE	\$3.75	\$3.70
GOVERNMENT PAYMENTS	\$0.00	\$0.00
SECOND INCOME	\$40.00 ACRE	\$9.00 ACRE
GROSS RETURN	\$283.75	\$249.27
CASH OPERATING EXPENSES		
SEED	\$14.40	\$6.15
FERTILIZER	\$41.46	\$69.39
CHEMICALS	\$20.28	\$27.60
CROP INSURANCE	\$0.15	\$0.29
OTHER PURCHASED INPUTS		
CANAL WATER		
FUEL, OIL & LUBRICANTS-EQUIPMENT	\$16.44	\$25.12
FUEL-IRRIGATION	\$49.96	\$66.62
REPAIRS	\$8.60	\$13.00
CUSTOM CHARGES	\$35.14	\$40.78
LAND TAXES	\$0.91	\$0.91
OTHER EXPENSES	\$51.08	\$51.29
TOTAL CASH EXPENSES	\$238.42	\$301.16
RETURN OVER CASH EXPENSES	\$45.33	(\$51.89)
FIXED EXPENSES	\$39.44	\$75.11
TOTAL EXPENSES	\$277.86	\$376.26
NET FARM INCOME	\$5.89	(\$126.99)
LABOR AND MANAGEMENT COSTS	\$42.06	\$54.06
NET OPERATING PROFIT	(\$36.16)	(\$181.06)
CAPITAL COSTS		
INTEREST ON OPERATING CAPITAL	\$3.74	\$5.08
INTEREST ON EQUIPMENT INVESTMENT	\$11.74	\$22.28
TOTAL CAPITAL COSTS	\$15.48	\$27.36
RETURN TO LAND AND RISK	<u>(\$51.64)</u>	<u>(\$208.42)</u>
Flex Computation	-0.46	-111.03

TABLE 9. Whole farm summary, Curry County,
Actual 2004

GROSS RETURNS		
WHEAT	330 ACRES	
CROP		\$80,438
GRAZING		\$13,200
DIRECT PAYMENT		\$0
COUNTER CYCLICAL PAYMENT		\$0
GRAIN SORGHUM	170 ACRES	
CROP		\$40,846
GRAZING		\$1,530
DIRECT PAYMENT		\$0
COUNTER CYCLICAL PAYMENT		\$0
GROSS RETURN		<u>\$136,013</u>
CASH OPERATING EXPENSES		
SEED		\$5,798
FERTILIZER		\$25,478
CHEMICALS		\$11,382
CROP INSURANCE		\$100
OTHER PURCHASED INPUTS		\$0
CANAL WATER		\$0
FUEL, OIL & LUBRICANTS-EQUIPMENT		\$9,696
FUEL-IRRIGATION		\$27,813
REPAIRS		\$5,048
CUSTOM CHARGES		\$18,529
LAND TAXES		\$455
OTHER EXPENSES		\$25,576
TOTAL CASH EXPENSES		<u>\$129,874</u>
RETURN OVER CASH EXPENSES		\$6,139
FIXED EXPENSES		\$25,783
TOTAL EXPENSES		\$155,658
NET FARM INCOME		(\$19,645)
LABOR AND MANAGEMENT COSTS		\$23,069
NET OPERATING PROFIT		(\$42,714)
CAPITAL COSTS		
INTEREST ON OPERATING CAPITAL		\$2,098
INTEREST ON EQUIPMENT INVESTMENT		\$7,662
TOTAL CAPITAL COSTS		<u>\$9,760</u>
RETURN TO LAND AND RISK		<u><u>(\$52,474)</u></u>

LAND VALUE	RETURN TO RISK*	RETURN ON INVESTMENT**
\$500 /ACRE	(\$60,274)	-11.73%
\$1,000 /ACRE	(\$68,074)	-6.85%
\$1,500 /ACRE	(\$75,874)	-4.83%
\$2,000 /ACRE	(\$83,674)	-3.73%
\$2,500 /ACRE	(\$91,474)	-3.04%

* 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)

