

TABLE 1. Acreage Summary, Southeastern Quay County,
Actual 2002.

BUDGET AREA.....	SOUTHEASTERN QUAY COUNTY	
FARM SIZE.....	1920 ACRES	
IRRIGATION TYPE...	DRYLAND	
NUMBER OF CROPS...	1	
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ACREAGE SUMMARY:	LAND USE (ACRES)	
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WHEAT	1,088.00	
ARP	0.00	
FLEX IN WHEAT	192.00	
FALLOW	620.00	
ROADS, HOMESTEAD	20.00	
TOTAL	1,920.00	

TABLE 2. Basic cost information for Southeastern Quay County,
Actual 2002.

Item		
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Labor Wage Rate:		
Equipment operators	\$/hour	\$7.45
General & Irrigators	\$/hour	\$6.65
Purchased Inputs:		
Seed:		
Wheat	\$/pound	\$0.18
Energy:		
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	\$38.00 /acre (full value)	\$0.31
Personal Property Tax Rate - NR	\$/ \$1,000 (Assessed Value)	\$24.51
- R		\$22.84
Supervision Factor	\$/labor hour	\$0.50
Management Rate	percent	7.00%

TABLE 3. Overhead cost information for Southeastern Quay County,
Actual 2002.

Item		
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Electricity (Domestic & Shop)	\$220.00 per month	\$2,640
Telephone	\$170.00 per month	\$2,040
Accounting & Legal		\$1,595
Misc. Supplies & Hand Tools		\$2,430
Pickup and Auto		
miles	31,000 @ \$0.365 per mile	\$11,315
Insurance		
- general liability (non-employee)		\$1,725
- fire/theft		\$1,370
Property Taxes		
- non-planted land		\$205
- other than land & machinery		\$600
Building repairs and maintenance		\$1,310
Dues, fees, publications		\$385
Farmstead Equipment		\$170
Total		\$25,785
Total per planted acre		\$20.14

TABLE 4. Equipment summary for a 1,920 acre dryland farm, Southeastern Quay County, Actual 2002.

ITEM & SIZE	ANNUAL HOURS OF USE	NUMBER	TOTAL VALUE	VARIABLE COSTS					FIXED COSTS		
				FUEL, OIL, LUBRICANT	REPAIR	FUEL, OIL PER HR	REPAIR PER HR	DEPRECIATION	TAXES	TOTAL PER HR	
TRACTOR	93 HP	128	1	\$19,045	\$1,336	\$527	\$10.43	\$4.12	\$1,226	\$175	\$10.95
TRACTOR	185 HP	256	1	\$38,035	\$3,985	\$2,072	\$15.57	\$8.09	\$5,995	\$367	\$24.85
COMBINE	145 HP	179	1	\$35,240	\$2,245	\$5,414	\$12.53	\$30.21	\$7,600	\$466	\$45.01
GRAIN HEAD	22 FT	179	1	\$3,600		\$357		\$1.99	\$501	\$31	\$2.97
TRUCK 2T	20 FT	179	1	\$22,000	\$1,708	\$3,893	\$9.53	\$21.72	\$4,400	\$180	\$25.56
ROD WEED	40 FT	128	1	\$1,200		\$88		\$0.68	\$160	\$10	\$1.33
CRUSTBUSTER	40 FT	64	1	\$6,750		\$276		\$4.32	\$900	\$55	\$14.92
STUB. MULCHER	25 FT	64	1	\$7,650		\$313		\$4.90	\$1,020	\$63	\$16.91
SWEEP	40 FT	128	1	\$6,750		\$484		\$3.78	\$900	\$55	\$7.46
				\$140,270	\$9,274	\$13,424			\$22,702	\$1,401	

TABLE 5. Wheat, dryland, budgeted per acre costs and returns for a 1,920 acre farm with above average management, Southeastern Quay County, Actual 2002.

Planting dates: August 20 - September 15
Harvesting dates: June 15 - July 10

ITEM	PRICE	YIELD	BASEBASEBASEBASEBASEBASEBASEBASEBASEBASEBASE					TOTAL
GROSS RETURNS								
WHEAT	\$3.00	14.00 BUSHELS						\$42.00
DIRECT PAYMENT	\$0.52	14.00 BUSHELS	0.85					\$6.19
COUNTER CYCLICAL PAYMENT	\$0.00							\$0.00
GRAZING	\$5.00	1.00 ACRE						\$5.00
TOTAL								\$53.19
PURCHASED INPUTS								
PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS				TOTAL	
SEED	\$0.18	25 LBS	\$4.50					\$4.50
CROP INSURANCE	\$0.04		\$0.04					\$0.04
SUBTOTAL			\$4.54					\$4.54
PREHARVEST OPERATIONS								
PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
SWEEP (2X)	185 HP	0.10 HR		\$0.75	\$1.56	\$1.19	\$3.23	\$6.72
STUBBLE MULCHER	185 HP	0.05 HR		\$0.37	\$0.78	\$0.65	\$2.09	\$3.89
RODWEED (2X)	96 HP	0.10 HR		\$0.75	\$1.04	\$0.48	\$1.23	\$3.50
DRILL	185 HP	0.05 HR		\$0.37	\$0.78	\$0.62	\$1.99	\$3.76
SUBTOTAL		0.30 HR		\$2.24	\$4.16	\$2.94	\$8.54	\$17.87
HARVEST OPERATIONS								
COMBINE	22 FT	0.14 HR		\$1.04	\$1.75	\$4.51	\$6.72	\$14.02
HAUL	2 TON	0.14 HR		\$1.04	\$1.33	\$3.04	\$3.58	\$9.00
SUBTOTAL		0.28 HR		\$2.09	\$3.09	\$7.55	\$10.30	\$23.02
OVERHEAD EXPENSES								
DOWNTIME		0.15 HR		\$0.54				\$0.54
EMPLOYEE BENEFITS				\$0.65				\$0.65
INSURANCE			\$0.09					\$0.09
LAND TAXES						\$0.31		\$0.31
SUPERVISION AND MANAGEMENT				\$2.66				\$2.66
OTHER EXPENSES			\$20.14					\$20.14
SUBTOTAL		0.15 HR	\$20.23	\$3.85		\$0.31		\$24.39
TOTAL OPERATING EXPENSES		0.73 HR	\$24.73	\$8.17	\$7.24	\$10.49	\$19.14	\$69.78
NET OPERATING PROFIT								(\$16.59)
INTEREST ON OPERATING CAPITAL		(\$4.93 @	0.07)					\$0.32
INTEREST ON EQUIPMENT INVESTMENT								\$8.71
RETURN TO LAND AND RISK								(\$25.62)

BUDGET SUMMARY

GROSS RETURN	\$53.19	
VARIABLE OPERATING EXPENSES	\$42.46	
RETURN OVER VARIABLE EXPENSES	\$10.72	(GROSS MARGIN)
FIXED EXPENSES	\$19.14	
NET FARM INCOME	(\$8.42)	(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$8.17	
NET OPERATING PROFIT	(\$16.59)	(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$9.03	
RETURN TO LAND AND RISK	(\$25.62)	

TABLE 6. Summary of per acre costs and returns for a 1,920 acre farm with above average management, Southeastern Quay County, Actual 2002.

	WHEAT -DRYLAND-
	BU
PRIMARY YIELD	14.00
PRIMARY PRICE	\$3.00
GOVERNMENT PAYMENTS	\$6.19
SECOND INCOME	\$5.00
GROSS RETURN	\$53.19
CASH OPERATING EXPENSES	
SEED	\$4.50
FERTILIZER	
CHEMICALS	
CROP INSURANCE	\$0.04
OTHER PURCHASED INPUTS	\$0.09
CANAL WATER	
FUEL, OIL & LUBRICANTS-EQUIPMENT	\$7.24
FUEL-IRRIGATION	
REPAIRS	\$10.49
CUSTOM CHARGES	
LAND TAXES	\$0.31
OTHER EXPENSES	\$20.14
TOTAL CASH EXPENSES	<u>\$42.81</u>
RETURN OVER CASH EXPENSES	\$10.37
FIXED EXPENSES	\$18.83
TOTAL EXPENSES	\$61.64
NET FARM INCOME	(\$8.46)
LABOR AND MANAGEMENT COSTS	\$8.17
NET OPERATING PROFIT	(\$16.63)
CAPITAL COSTS	
INTEREST ON OPERATING CAPITAL	\$0.32
INTEREST ON EQUIPMENT INVESTMENT	\$8.71
TOTAL CAPITAL COSTS	<u>\$9.03</u>
RETURN TO LAND AND RISK	<u>(\$25.66)</u>

TABLE 7. Whole farm summary, Southeastern Quay County,
Actual 2002.

GROSS RETURNS		
WHEAT	1,280 ACRES	
CROP		\$53,760
GRAZING		\$6,400
DIRECT PAYMENT		\$6,733
COUNTER CYCLICAL PAYMENT		\$0
GROSS RETURN		\$66,893
CASH OPERATING EXPENSES		
SEED		\$5,760
FERTILIZER		\$0
CHEMICALS		\$0
CROP INSURANCE		\$50
OTHER PURCHASED INPUTS		\$111
CANAL WATER		\$0
FUEL, OIL & LUBRICANTS-EQUIPMENT		\$9,274
FUEL-IRRIGATION		\$0
REPAIRS		\$13,424
CUSTOM CHARGES		\$0
LAND TAXES		\$397
OTHER EXPENSES		\$25,785
TOTAL CASH EXPENSES		\$54,801
RETURN OVER CASH EXPENSES		\$12,092
FIXED EXPENSES		\$24,104
TOTAL EXPENSES		\$78,904
NET FARM INCOME		(\$12,012)
LABOR AND MANAGEMENT COSTS		\$10,459
NET OPERATING PROFIT		(\$22,471)
CAPITAL COSTS		
INTEREST ON OPERATING CAPITAL		\$410
INTEREST ON EQUIPMENT INVESTMENT		\$11,149
TOTAL CAPITAL COSTS		\$11,559
RETURN TO LAND AND RISK		(\$34,030)
LAND VALUE	RETURN TO RISK*	RETURN ON INVESTMENT**
\$150 /ACRE	(\$45,550)	-5.25%
\$300 /ACRE	(\$57,070)	-3.14%
\$450 /ACRE	(\$68,590)	-2.24%
\$600 /ACRE	(\$80,110)	-1.74%
\$750 /ACRE	(\$91,630)	-1.42%
\$900 /ACRE	(\$103,150)	-1.20%

* 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)