

TABLE 1. Acreage Summary, Curry County, Projected 2005.

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 2005.

Item			
Labor Wage Rate:			
Equipment operators		\$/hour	\$7.45
General & Irrigators		\$/hour	\$6.65
Purchased Inputs:			
Fertilizer:			
Anhydrous Ammonia		\$/ton	\$400.00
Seed:			
Wheat		\$/pound	\$0.24
Grain Sorghum		\$/pound	\$1.23
Diesel fuel		\$/gallon	\$2.10
Gasoline		\$/gallon	\$2.00
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	7.00%
Land Interest Rate		percent	7.00%
Equipment Interest Rate		percent	7.00%
Real Interest Rate		percent	3.00%
Land Taxes	\$40.00	/acre (full value)	\$40.00
Personal Property Tax Rate	- NR	\$/ \$1,000 (Assessed Value)	\$25.05
	- R		\$25.05
Supervision Factors			
Field Crop-Equipment & General		\$/labor hour	\$1.00
Management Rate		percent	7.00%

TABLE 3. Overhead cost information for Curry County, Projected 2005.

Item			
Electricity (Domestic & Shop)		\$0.00 per month	\$0
Telephone		\$0.00 per month	\$0
Accounting & Legal			\$0
Misc. Supplies & Hand Tools			\$0
Pickup and Auto			
miles	0	@ \$0.000 per mile	\$0
Insurance			
- general liability (non-employee)			\$0
- fire/theft			\$0
Property Taxes			
- non-planted land			\$0
- other than land & machinery			\$0
Building repairs and maintenance			\$0
Dues, fees, publications			\$0
Farmstead Equipment			\$0
		Total	\$0
		Total Per Planted Acre	\$0.00

TABLE 4. Equipment summary for a 1,600 acre dryland farm with above average management, Curry County, Projected 2005.

EQUIPMENT				VARIABLE COSTS					FIXED COSTS		
ITEM & SIZE		ANNUAL HOURS OF USE	NUMBER	TOTAL VALUE	FUEL, OIL, LUBRICANT	REPAIR	FUEL, OIL PER HR	REPAIR PER HR	DEPRECIATION	TAXES	TOTAL PER HR
TRACTOR	155 HP	180	1	\$39,492	\$3,393	\$971	\$18.83	\$5.39	\$5,985	\$375	\$35.29
TRACTOR	330 HP	189	1	\$76,936	\$6,357	\$1,706	\$33.55	\$9.00	\$10,005	\$627	\$56.11
DRILL	40 FT	53	1	\$7,750		\$197		\$3.72	\$1,550	\$65	\$30.47
SWEEPS	45 FT	106	1	\$6,750		\$887		\$8.37	\$900	\$56	\$9.02
ROTARY HOE	24 FT	23	1	\$1,900		\$53		\$2.36	\$253	\$16	\$11.95
ROD WEEDER	40 FT	53	1	\$1,200		\$79		\$1.49	\$160	\$10	\$3.21
CULTIVATOR	6 ROW	59	1	\$5,000		\$363		\$6.20	\$667	\$42	\$12.10
FERT SPREADER	DEALER FURNISHED	77	1								
TOTAL				\$139,028	\$9,751	\$4,256			\$19,520	\$1,190	

TABLE 5. Wheat, dryland, budgeted per acre costs and returns for a 1,600 acre farm with above average management, Curry County
 Projected 2005.
 Planting Dates: September 1 - October 15
 Harvesting Dates: June 15 - July 15

ITEM	PRICE	YIELD	Base	TOTAL
GROSS RETURNS				
WHEAT	\$3.75	18.00 BUSHELS		\$67.50
DIRECT PAYMENT	\$0.00	18.00 BUSHE	0.85	\$0.00
COUNTER CYCLICAL PAYMENT	\$0.00			\$0.00
GRAZING	\$12.00	1.00 ACRE		\$12.00
TOTAL				\$79.50

PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS	FIXED COST	TOTAL
SEED	\$0.24	30 LBS	\$7.20		\$7.20
HERBICIDE	\$7.05	1 ACRE	\$7.05		\$7.05
CROP INSURANCE	\$0.08		\$0.08		\$0.08
SUBTOTAL			\$14.33		\$14.33

PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
SWEEP (2X)	300 HP	0.10 HR		\$0.75	\$3.36	\$1.74	\$6.51	\$12.35
ROD WEEDER	300 HP	0.05 HR		\$0.37	\$1.68	\$0.52	\$2.97	\$5.54
DRILL	300 HP	0.05 HR		\$0.37	\$1.68	\$0.64	\$4.33	\$7.02
SUBTOTAL		0.20 HR		\$1.49	\$6.71	\$2.90	\$13.81	\$24.91

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		\$0.37				\$0.37
EMPLOYEE BENEFITS				\$0.27				\$0.27
INSURANCE			\$0.03					\$0.03
LAND TAXES							\$40.00	\$40.00
SUPERVISION AND MANAGEMENT				\$5.77				\$5.77
OTHER EXPENSES			\$0.00					\$0.00
SUBTOTAL		0.05 HR	\$0.03	\$6.41			\$40.00	\$46.44

TOTAL OPERATING EXPENSES 0.25 HR \$26.49 \$7.90 \$6.71 \$2.90 \$53.81 \$97.81

NET OPERATING PROFIT (\$18.31)

INTEREST ON OPERATING CAPITAL	(\$7.01	@	7.00%)			\$0.49
INTEREST ON EQUIPMENT INVESTMENT								\$6.58

RETURN TO LAND AND RISK (\$25.38)

BUDGET SUMMARY

GROSS RETURN		\$79.50		
VARIABLE OPERATING EXPENSES	\$36.10			
RETURN OVER VARIABLE EXPENSES		\$43.40	(GROSS MARGIN)	
FIXED EXPENSES	\$53.81			
NET FARM INCOME		(\$10.41)	(RETURN TO CAPITAL, LABOR, LAND & RISK)	
LABOR AND MANAGEMENT COST	\$7.90			
NET OPERATING PROFIT		(\$18.31)	(RETURN TO CAPITAL, LAND & RISK)	
CAPITAL COSTS	\$7.07			
RETURN TO LAND AND RISK		(\$25.38)		

TABLE 6. Grain sorghum, dryland, budgeted per acre costs and returns for a 1,600 acre farm with aboveaverage management, Curry County, Projected 2005.
 Planting Dates: May 15 - June 20
 Harvesting Dates: October 15 - November 15

ITEM	PRICE	YIELD	BASE	TOTAL
GROSS RETURNS				
GRAIN SORGHUM	\$3.70	18.00 CWT		\$66.54
DIRECT PAYMENT	\$0.00	18.00 CWT	0.85	\$0.00
COUNTER CYCLICAL PAYMENT	\$0.00	0.00 CWT		\$0.00
GRAZING	\$4.00	1.00 ACRE		\$4.00
TOTAL				\$70.54

PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS	FIXED COST	TOTAL
SEED	\$1.23	2 LBS	\$1.85		\$1.85
ANHYDROUS	\$0.20	50 LBS	\$10.00		\$10.00
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			\$38.40		\$38.40

PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
SWEEP (2X)	300 HP	0.10 HR		\$0.75	\$3.36	\$1.74	\$6.51	\$12.35
ROD WEEDER	300 HP	0.05 HR		\$0.37	\$1.68	\$0.52	\$2.97	\$5.54
ANHYDROUS APPL	155 HP	0.17 HR		\$1.27	\$3.20	\$0.92	\$6.00	\$11.38
DRILL	155 HP	0.05 HR		\$0.37	\$0.94	\$0.46	\$3.29	\$5.06
ROTARY HOE	155 HP	0.05 HR		\$0.37	\$0.94	\$0.39	\$2.36	\$4.06
CULTIVATOR	155 HP	0.13 HR		\$0.97	\$2.45	\$1.51	\$6.16	\$11.08
SUBTOTAL		0.55 HR		\$4.10	\$12.56	\$5.53	\$27.29	\$49.48

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		\$0.75				\$0.75
EMPLOYEE BENEFITS				\$0.74				\$0.74
INSURANCE			\$0.08					\$0.08
LAND TAXES							\$40.00	\$40.00
SUPERVISION AND MANAGEMENT				\$5.49				\$5.49
OTHER EXPENSES			\$0.00					\$0.00
SUBTOTAL		0.10 HR	\$0.08	\$6.97			\$40.00	\$47.05

TOTAL OPERATING EXPENSES 0.65 HR \$51.57 \$11.07 \$12.56 \$5.53 \$67.29 \$148.02

NET OPERATING PROFIT (\$77.49)

INTEREST ON OPERATING CAPITAL (\$24.81 @ 7.00%) \$1.74
 INTEREST ON EQUIPMENT INVESTMENT \$13.24

RETURN TO LAND AND RISK (\$92.46)

BUDGET SUMMARY			
GROSS RETURN		\$70.54	
VARIABLE OPERATING EXPENSES	\$69.66		
RETURN OVER VARIABLE EXPENSES		\$0.87	(GROSS MARGIN)
FIXED EXPENSES	\$67.29		
NET FARM INCOME		(\$66.42)	(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$11.07		
NET OPERATING PROFIT		(\$77.49)	(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$14.98		
RETURN TO LAND AND RISK		(\$92.46)	

TABLE 7. Summary of per acre costs and returns for a 1,600 acre farm with above average management, Curry County, Projected 2005.

	WHEAT	GRAIN SORGHUM
	BUSHEL	CWT
PRIMARY YIELD	18.00	18.00
PRIMARY PRICE	\$3.75	\$3.70
GOVERNMENT PAYMENTS	\$0.00	\$0.00
SECOND INCOME	\$12.00 ACRE	\$4.00 ACRE
GROSS RETURN	\$79.50	\$70.54
CASH OPERATING EXPENSES		
SEED	\$7.20	\$1.85
FERTILIZER		\$10.00
CHEMICALS	\$7.05	\$26.44
CROP INSURANCE	\$0.08	\$0.11
OTHER PURCHASED INPUTS		
FUEL, OIL & LUBRICANTS-EQUIPMENT	\$6.71	\$12.56
REPAIRS	\$2.90	\$5.53
CUSTOM CHARGES	\$12.13	\$13.09
LAND TAXES	\$40.00	\$40.00
OTHER EXPENSES	\$0.03	\$0.08
TOTAL CASH EXPENSES	\$76.10	\$109.66
RETURN OVER CASH EXPENSES	\$3.40	(\$39.13)
FIXED EXPENSES	\$13.81	\$27.29
TOTAL EXPENSES	\$89.91	\$136.95
NET FARM INCOME	(\$10.41)	(\$66.42)
LABOR AND MANAGEMENT COSTS	\$7.90	\$11.07
NET OPERATING PROFIT	(\$18.31)	(\$77.49)
CAPITAL COSTS		
INTEREST ON OPERATING CAPITAL	\$0.49	\$1.74
INTEREST ON EQUIPMENT INVESTMENT	\$6.58	\$13.24
TOTAL CAPITAL COSTS	\$7.07	\$14.98
RETURN TO LAND AND RISK	<u>(\$25.38)</u>	<u>(\$92.46)</u>

TABLE 8. Whole farm summary, Curry County,
Projected 2005.

GROSS RETURNS		
WHEAT	530 acres	
CROP		\$35,775
GRAZING		\$6,360
DIRECT PAYMENT		\$0
COUNTER CYCLICAL PAYMENT		\$0
GRAIN SORGHUM	530 acres	
CROP		\$35,264
GRAZING		\$2,120
DIRECT PAYMENT		\$0
COUNTER CYCLICAL PAYMENT		\$0
GROSS RETURN		<u>\$79,519</u>
CASH OPERATING EXPENSES		
SEED		\$5,220
FERTILIZER		\$4,505
CHEMICALS		\$16,212
CROP INSURANCE		\$100
OTHER PURCHASED INPUTS		\$0
FUEL, OIL & LUBRICANTS-EQUIPMENT		\$9,751
REPAIRS		\$4,256
CUSTOM CHARGES		\$13,290
LAND TAXES		\$42,400
OTHER EXPENSES		\$55
TOTAL CASH EXPENSES		<u>\$95,789</u>
RETURN OVER CASH EXPENSES		(\$16,270)
FIXED EXPENSES		\$20,710
TOTAL EXPENSES		\$116,498
NET FARM INCOME		(\$36,980)
LABOR AND MANAGEMENT COSTS		\$9,798
NET OPERATING PROFIT		(\$46,778)
CAPITAL COSTS		
INTEREST ON OPERATING CAPITAL		\$1,082
INTEREST ON EQUIPMENT INVESTMENT		\$9,977
TOTAL CAPITAL COSTS		<u>\$11,058</u>
RETURN TO LAND AND RISK		<u><u>(\$57,836)</u></u>

LAND VALUE	RETURN TO RISK*	RETURN ON INVESTMENT**
\$150 /ACRE	(\$65,036)	-12.34%
\$200 /ACRE	(\$67,436)	-10.19%
\$250 /ACRE	(\$69,836)	-8.68%
\$300 /ACRE	(\$72,236)	-7.56%

* 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)