

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

BUDGET AREA.....	SOUTHERN QUAY COUNTY		
FARM SIZE.....	1,000 ACRES		
IRRIGATION TYPE.....	SPRINKLER/DRYLAND		
NUMBER OF CROPS.....	2		

ACREAGE SUMMARY:	LAND USE (ACRES)	WATER USE	
		AC.IN. PER AC.	TOTAL AC.IN.
WHEAT	607.75	0	0
ARP	0.00		
FLEX IN GRAIN SORGHUM	107.25	0	0
GRAIN SORGHUM	212.50	12	2,550
ARP	0.00		
FLEX IN GRAIN SORGHUM	37.50	12	450
ROADS, HOMESTEAD, FALLOW	35.00		
TOTAL	1,000.00		3,000

TABLE 2. Basic cost information for Southern Quay County,
Projected 2005.

Item		
Labor Wage Rate:		
Equipment operators	\$/hour	\$7.45
General & Irrigators	\$/hour	\$6.65
Purchased Inputs:		
Fertilizer:		
Nitrogen (N)	\$/pound	\$0.40
Phosphate (P205)	\$/pound	\$0.31
Seed:		
Wheat	\$/pound	\$0.24
Grain Sorghum	\$/pound	\$1.23
Energy Costs:		
Diesel fuel	\$/gallon	\$2.10
Gasoline	\$/gallon	\$2.00
Electricity (Farmers Elec Coop)	cents/KwHr	7.25
LP Gas	\$/gallon	\$1.70
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		
Irrigated	\$96.00 /acre (full value)	\$0.78
Dryland	\$38.00 /acre (full value)	\$0.31
Personal Property Tax Rate	- NR - R	\$/ \$1,000 (Assessed Value) \$24.51 \$22.84
Supervision Factors		
Field Crop-Irrigation	\$/acre	\$1.00
Field Crop-Equipment & General	\$/acre	\$0.50
Management Rate	percent	7.00%

TABLE 3. Overhead cost information for Southern Quay County,
Projected 2005.

Item		
Electricity (Domestic & Shop)	\$215.00 per month	\$2,580
Telephone	\$115.00 per month	\$1,380
Accounting & Legal		\$1,525
Misc. Supplies & Hand Tools		\$1,430
Pickup and Auto		
miles	20,020 @ \$0.365 per mile	\$7,307
Insurance		
- general liability (non-employee)		\$1,710
- fire/theft		\$1,525
Property Taxes		
- non-planted land		\$0
- other than land & machinery		\$6,010
Building repairs and maintenance		\$1,290
Dues, fees, publications		\$405
Farmstead Equipment		\$185
	Total	\$25,347
	Total per planted acre	\$26.27
	Total per dryland acre	\$14.19

TABLE 4. Pumping costs and data for irrigation wells, Southern Quay County,
Projected 2005.

INPUT DATA			
DELIVERY PSI:		DEPTH CHARACTERISTICS:	
SPRINKLER	35	STATIC.....	200
		DRAW DOWN.....	35
		TOTAL HEAD.....	235
		CASING.....	400
GALLONS PER MINUTE (GPM)	350		
WORK HORSEPOWER	28		
EFFICIENCY FACTOR:			
ELECTRICITY	0.540		
LP GAS	0.154		
DIESEL	0.160		
FUEL COST PER HOUR:			
ELECTRICITY	7.25	CENTS/Kw wHr	
LP GAS	\$1.70	\$/GAL	
DIESEL	\$2.10	\$/GAL	
PUMPING COSTS			
ELECTRIC WELL:			
COST PER HOUR		\$2.83	
COST PER ACRE INCH		\$3.66	
LP GAS WELL:			
COST PER HOUR		\$8.57	
COST PER ACRE INCH		\$11.08	
DIESEL WELL:			
COST PER HOUR		\$6.61	
COST PER ACRE INCH		\$8.55	

TABLE 5. Equipment summary for a 1,000 acre dryland/sprinkler-irrigated farm with above average management, Southern Quay County,
Projected 2005.

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	126 HP	284	1	\$19,725	\$4,928	\$872	\$17.32	\$3.06	\$2,043	\$209	\$7.91
TRACTOR	185 HP	360	1	\$44,016	\$7,836	\$2,084	\$21.75	\$5.79	\$6,428	\$394	\$18.94
COMBINE	145 HP	142	1	\$19,725	\$2,464	\$436	\$17.32	\$3.06	\$2,043	\$209	\$15.83
GRAIN HEAD	22 FT	142	1	\$3,600		\$21		\$0.15	\$501	\$31	\$3.74
TRUCK	2 TON	142	1	\$22,000	\$1,898	\$876	\$13.34	\$6.16	\$4,400	\$180	\$32.20
PLANTER	6 ROW	64	1	\$4,250		\$131		\$2.04	\$850	\$35	\$13.76
RODWEEDER	23 FT	162	1	\$625		\$125		\$0.78	\$83	\$5	\$0.55
SWEEPS	23 FT	126	1	\$4,350		\$679		\$5.39	\$580	\$36	\$4.89
CULTIVATOR	6 ROW	93	1	\$3,000		\$346		\$3.72	\$400	\$25	\$4.57
DISC	18 FT OFFSET	79	1	\$7,500		\$731		\$9.30	\$1,000	\$61	\$13.50
CRUSTBUSTER	28 FT	73	1	\$5,500		\$193		\$2.64	\$1,100	\$45	\$15.70
LISTER	6 ROW	43	1	\$2,150		\$114		\$2.67	\$287	\$18	\$7.10
STUBBLE MULCHER	25 FT	49	1	\$7,650		\$461		\$9.49	\$1,020	\$63	\$22.26
SPRAYER (MTD)	16 FT	21	1	\$1,400		\$14		\$0.67	\$187	\$11	\$9.24
PIVOT SPRINKLER	(MOVEABLE)	5,543	1	\$17,250	\$0	\$0	\$0.00	\$0.00	\$2,300	\$141	\$0.44
ELECTRIC WELL		5,543	1	\$14,000	\$15,673	\$0	\$2.83	\$0.00	\$1,120	\$114	\$0.22
				\$176,740	\$32,799	\$7,083			\$24,341	\$1,574	

TABLE 6. Wheat, dryland, budgeted per acre costs and returns for a 1,000 acre farm with above average management, Southern Quay County, Projected 2005.
 Planting dates: August 20 - September 15
 Harvesting dates: June 15 - July 10

ITEM	PRICE	YIELD	BASE	TOTAL
GROSS RETURNS				
WHEAT	\$3.75	20.00 BUSHEL		\$75.00
DIRECT PAYMENT	\$0.00	20.00 BUSHEL	0.85	\$0.00
COUNTER CYCLICAL PAYMENT	\$0.00			\$0.00
GRAZING	\$5.00	1.00 ACRE		\$5.00
TOTAL				\$80.00

PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS	FIXED COST	TOTAL
SEED	\$0.24	25 LBS	\$6.00		\$6.00
CROP INSURANCE	\$0.08		\$0.08		\$0.08
SUBTOTAL			\$6.08		\$6.08

PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
SWEEP (2X)	185 HP	0.16 HR		\$1.19	\$3.48	\$1.79	\$3.81	\$10.27
STUBBLE MULCHER	185 HP	0.08 HR		\$0.60	\$1.74	\$1.22	\$3.30	\$6.85
RODWEED (2X)	126 HP	0.16 HR		\$1.19	\$2.77	\$0.61	\$1.35	\$5.93
DRILL	126 HP	0.12 HR		\$0.89	\$2.08	\$0.68	\$2.83	\$6.49
SUBTOTAL		0.52 HR		\$3.87	\$10.07	\$4.31	\$11.30	\$29.55

HARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
COMBINE	22 FT	0.14 HR		\$1.04	\$2.43	\$0.45	\$2.74	\$6.66
HAUL	2 TON	0.14 HR		\$1.04	\$1.87	\$0.86	\$4.51	\$8.28
SUBTOTAL		0.28 HR		\$2.09	\$4.29	\$1.31	\$7.25	\$14.94

OVERHEAD EXPENSES	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
DOWNTIME	0.20 HR		\$1.49				\$1.49
EMPLOYEE BENEFITS			\$1.07				\$1.07
INSURANCE		\$0.12					\$0.12
LAND TAXES						\$0.31	\$0.31
SUPERVISION AND MANAGEMENT			\$6.60				\$6.60
OTHER EXPENSES		\$14.19					\$14.19
SUBTOTAL	0.20 HR	\$14.31	\$9.16			\$0.31	\$23.78

TOTAL OPERATING EXPENSES	1.00 HR	\$20.39	\$15.12	\$14.36	\$5.62	\$18.85	\$74.35
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NET OPERATING PROFIT							\$5.65
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INTEREST ON OPERATING CAPITAL	(\$7.10	@	7.00%)		\$0.50
INTEREST ON EQUIPMENT INVESTMENT							\$9.49

RETURN TO LAND AND RISK							(\$4.34)
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BUDGET SUMMARY

GROSS RETURN		\$80.00	
VARIABLE OPERATING EXPENSES	\$40.38		
RETURN OVER VARIABLE EXPENSES		\$39.62	(GROSS MARGIN)
FIXED EXPENSES	\$18.85		
NET FARM INCOME		\$20.77	(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$15.12		
NET OPERATING PROFIT		\$5.65	(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$9.98		
RETURN TO LAND AND RISK		(\$4.34)	

TABLE 7. Grain sorghum, sprinkler-irrigated, budgeted per acre costs and returns for a 1,000 acre farm with above average management, Southern Quay County
 Projected 2005.
 Planting dates: June 15 - July 15
 Harvesting dates: September 20 - October 30

ITEM	PRICE	YIELD	BASE	TOTAL
GROSS RETURNS				
GRAIN SORGHUM	\$3.70	50.00 CWT		\$184.82
COUNTER CYCLICAL PAYMENT	\$0.00	0.00 CWT		\$0.00
DIRECT PAYMENT	\$0.00	50.00 CWT	0.85	\$0.00
TOTAL				\$184.82

PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS	FIXED COST	TOTAL
SEED	\$1.23	5 LBS	\$6.15		\$6.15
NITROGEN (N)	\$0.40	80 LBS	\$32.00		\$32.00
PHOSPHATE (P205)	\$0.31	40 LBS	\$12.40		\$12.40
HERBICIDE	\$16.99	1 ACRE	\$16.99		\$16.99
PUMP WATER		12 AC. IN.			
CROP INSURANCE	\$0.14		\$0.14		\$0.14
SUBTOTAL			\$67.68		\$67.68

PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
SWEEP	185 HP	0.08 HR		\$0.60	\$1.74	\$0.89	\$1.91	\$5.14
DISC (2X)	185 HP	0.22 HR		\$1.64	\$4.79	\$3.32	\$7.14	\$16.88
SPRAYER	126 HP	0.06 HR		\$0.45	\$1.04	\$0.22	\$1.03	\$2.74
LISTER	185 HP	0.12 HR		\$0.89	\$2.61	\$1.01	\$3.12	\$7.64
ROD WEED & PLANTER	185 HP	0.18 HR		\$1.34	\$3.92	\$1.55	\$5.98	\$12.79
CULTIVATOR (2X)	126 HP	0.26 HR		\$1.94	\$4.50	\$1.76	\$3.25	\$11.45
IRRIGATE (12X)		1.20 HR		\$7.98	\$43.87	\$0.00	\$10.29	\$62.14
SUBTOTAL		2.12 HR		\$14.83	\$62.47	\$8.76	\$32.71	\$118.78

HARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
COMBINE	22 FT	0.16		\$1.19	\$2.77	\$0.51	\$3.13	\$7.61
HAUL	2 TON	0.16		\$1.19	\$2.13	\$0.99	\$5.15	\$9.46
SUBTOTAL		0.32 HR		\$2.38	\$4.91	\$1.50	\$8.28	\$17.07

OVERHEAD EXPENSES	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
DOWNTIME	0.61 HR		\$4.54				\$4.54
EMPLOYEE BENEFITS			\$3.10				\$3.10
INSURANCE		\$0.34					\$0.34
LAND TAXES						\$0.78	\$0.78
SUPERVISION AND MANAGEMENT			\$13.94				\$13.94
OTHER EXPENSES		\$26.27					\$26.27
SUBTOTAL	0.61 HR	\$26.61	\$21.58			\$0.78	\$48.98

TOTAL OPERATING EXPENSES	2.73 HR	\$94.29	\$38.80	\$67.37	\$10.26	\$41.78	\$252.50
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NET OPERATING PROFIT							(\$67.68)
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INTEREST ON OPERATING CAPITAL	(\$52.18	@	7.00%)		\$3.65
INTEREST ON EQUIPMENT INVESTMENT							\$21.62

RETURN TO LAND AND RISK							(\$92.95)
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* Pump water costs are shown under irrigation in the preharvest operations section
 BUDGET SUMMARY

GROSS RETURN		\$184.82	
VARIABLE OPERATING EXPENSES	\$171.92		
RETURN OVER VARIABLE EXPENSES		\$12.90	(GROSS MARGIN)
FIXED EXPENSES	\$41.78		
NET FARM INCOME		(\$28.88)	(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$38.80		
NET OPERATING PROFIT		(\$67.68)	(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$25.27		
RETURN TO LAND AND RISK		(\$92.95)	

TABLE 8. Summary of per acre costs and returns for a 1,000 acre farm, Southern Quay County Projected 2005.

	WHEAT (Dryland)	GRAIN SORGHUM (Sprinkler)
	BU	CWT
PRIMARY YIELD	20.00	50.00
PRIMARY PRICE	\$3.75	\$3.70
GOVERNMENT PAYMENTS	\$0.00	\$0.00
SECOND INCOME	\$5.00	\$0.00
GROSS RETURN	\$80.00	\$184.82
CASH OPERATING EXPENSES		
SEED	\$6.00	\$6.15
FERTILIZER		\$44.40
CHEMICALS		\$16.99
CROP INSURANCE	\$0.08	\$0.14
OTHER PURCHASED INPUTS		
CANAL WATER		
FUEL, OIL & LUBRICANTS-EQUIPMENT	\$14.36	\$23.50
FUEL-IRRIGATION		\$43.87
REPAIRS	\$5.62	\$10.26
CUSTOM CHARGES		
LAND TAXES	\$0.31	\$0.78
OTHER EXPENSES	\$14.31	\$26.61
TOTAL CASH EXPENSES	\$40.69	\$172.71
RETURN OVER CASH EXPENSES	\$39.31	\$12.12
FIXED EXPENSES	\$18.54	\$41.00
TOTAL EXPENSES	\$59.23	\$213.70
NET FARM INCOME	\$20.77	(\$28.88)
LABOR AND MANAGEMENT COSTS	\$15.12	\$38.80
NET OPERATING PROFIT	\$5.65	(\$67.68)
CAPITAL COSTS		
INTEREST ON OPERATING CAPITAL	\$0.50	\$3.65
INTEREST ON EQUIPMENT INVESTMENT	\$9.49	\$21.62
TOTAL CAPITAL COSTS	\$9.98	\$25.27
RETURN TO LAND AND RISK	(\$4.34)	(\$92.95)

TABLE 9. Whole farm summary, Southern Quay County,
Projected 2005.

GROSS RETURNS		
WHEAT	607.75 ACRES	
CROP		\$45,581
GRAZING		\$3,039
DIRECT PAYMENT		\$0
COUNTER CYCLICAL PAYMENT		\$0
GRAIN SORGHUM	357.25 ACRES	
CROP		\$66,027
COUNTER CYCLICAL PAYMENT		\$0
DIRECT PAYMENT		\$0
GROSS RETURN		<u>\$114,647</u>
CASH OPERATING EXPENSES		
SEED		\$5,844
FERTILIZER		\$15,862
CHEMICALS		\$6,068
CROP INSURANCE		\$100
OTHER PURCHASED INPUTS		\$0
CANAL WATER		\$0
FUEL, OIL & LUBRICANTS-EQUIPMENT		\$17,126
FUEL-IRRIGATION		\$15,673
REPAIRS		\$7,083
CUSTOM CHARGES		\$0
LAND TAXES		\$469
OTHER EXPENSES		\$18,203
TOTAL CASH EXPENSES		<u>\$86,427</u>
RETURN OVER CASH EXPENSES		\$28,220
FIXED EXPENSES		\$25,916
TOTAL EXPENSES		\$112,343
NET FARM INCOME		\$2,305
LABOR AND MANAGEMENT COSTS		\$23,052
NET OPERATING PROFIT		(\$20,747)
CAPITAL COSTS		
INTEREST ON OPERATING CAPITAL		\$1,607
INTEREST ON EQUIPMENT INVESTMENT		\$13,490
TOTAL CAPITAL COSTS		<u>\$15,097</u>
RETURN TO LAND AND RISK		<u>(\$35,844)</u>

LAND VALUE	RETURN TO RISK*	RETURN ON INVESTMENT**
\$150 /ACRE	(\$40,344)	-6.35%
\$300 /ACRE	(\$44,844)	-4.35%
\$450 /ACRE	(\$49,344)	-3.31%
\$600 /ACRE	(\$53,844)	-2.67%
\$750 /ACRE	(\$58,344)	-2.24%
\$900 /ACRE	(\$62,844)	-1.93%

* 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)