

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

BUDGET AREA.....	ROGERS-DORA AREA, ROOSEVELT COUNTY
FARM SIZE.....	1,280 ACRES
IRRIGATION TYPE.....	DRYLAND
NUMBER OF CROPS..	2

  

ACREAGE SUMMARY:	LAND USE (ACRES)
GRAIN SORGHUM	420.00
ARP	0.00
FLEX IN WHEAT	74.10
WHEAT	420.00
ARP	0.00
FLEX IN WHEAT	74.10
SUMMER FALLOW	271.80
ROADS, HOMESTEAD	20.00
<b>TOTAL</b>	<b>1,280.00</b>

TABLE 2. Basic cost information for the Rogers-Dora area, Roosevelt County,  
Projected 2005.

Item			
<b>Labor Wage Rate:</b>			
Equipment operators	\$/hour		\$7.45
General & Irrigators	\$/hour		\$6.65
<b>Seed:</b>			
Wheat	\$/pound		\$0.24
Grain Sorghum	\$/pound		\$1.23
<b>Fuel:</b>			
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%
<b>Financial Rates:</b>			
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	\$89.00 /acre (full value)		\$0.53
Personal Property Tax Rate	- NR	\$/ \$1,000 (Assessed)	\$18.03
	- R		\$13.80
Supervision Factor	\$/labor hour		\$0.50
Management Rate	percent		7.00%

TABLE 3. Overhead cost information for the Rogers-Dora area, Roosevelt 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	20,024	@ \$0.365 per mile	\$7,309
<b>Insurance</b>			
- general liability (non-employee)			\$1,710
- fire/theft			\$1,525
<b>Property Taxes</b>			
- non-planted land			\$0
- other than land & machinery			\$6,010
Building repairs and maintenance			\$1,290
Dues, fees, publications			\$405
Farmstead Equipment			\$185
		<b>Total</b>	<b>\$25,349</b>
		<b>Total Per Planted Acre</b>	<b>\$25.65</b>

TABLE 4. Equipment summary for a 1,280 acre, dryland farm with above average management, Rogers-Dora area, Roosevelt 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	95 HP	146	1	\$9,473	\$1,778	\$303	\$12.18	\$2.07	\$1,152	\$104	\$8.60
TRACTOR	175 HP	295	1	\$39,492	\$5,550	\$1,588	\$18.83	\$5.39	\$5,985	\$270	\$21.22
TRUCK	2 TON	138	1	\$22,000	\$1,846	\$852	\$13.34	\$6.16	\$4,400	\$132	\$32.76
PLANTER	8 ROW	50	1	\$5,500		\$133		\$2.64	\$1,100	\$33	\$22.48
CULTIVATOR	8 ROW	42	1	\$4,000		\$208		\$4.96	\$533	\$24	\$13.27
DISC	18 FT OFFSET	109	1	\$7,500		\$1,011		\$9.30	\$1,000	\$45	\$9.61
DRILL	40 FT	28	1	\$7,750		\$106		\$3.72	\$1,550	\$47	\$56.20
LISTER	8 ROW	38	1	\$3,200		\$150		\$3.97	\$427	\$19	\$11.80
STUBBLE MULCHER	20 FT	99	1	\$6,500		\$796		\$8.06	\$867	\$39	\$9.17
SPRAYER (MTD)		25	1	\$1,500		\$18		\$0.72	\$200	\$9	\$8.29
COMBINE	145 HP	138	1	\$53,537	\$2,427	\$368	\$17.54	\$2.66	\$8,866	\$400	\$66.98
GRAIN HEAD	22 FT	138	1	\$3,600		\$21		\$0.15	\$501	\$23	\$3.79
ROD WEEDER	37 FT	49	1	\$1,150		\$70		\$1.43	\$153	\$7	\$3.24
				\$165,202	\$11,600	\$5,624			\$26,734	\$1,151	

TABLE 5. Grain sorghum, dryland, budgeted per acre costs and returns for a 1,280 acre farm with above average management, Rogers-Dora area, Roosevelt County, Projected 2005.

Planting Dates: May 15 - May 30

Harvest Dates: October 15 - November 15

ITEM	PRICE	YIELD	BASE	TOTAL
<b>GROSS RETURNS</b>				
GRAIN SORGHUM	\$3.70	15.00 CWT		\$55.45
DIRECT PAYMENT	\$0.00	15.00 CWT	0.85	\$0.00
COUNTER CYCLICAL PAYMENT	\$0.00	0.00 CWT		\$0.00
GRAZING	\$5.00	1 ACRE		\$5.00
<b>TOTAL</b>				<b>\$60.45</b>

PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS	FIXED COST	TOTAL
SEED	\$1.23	3 LBS	\$3.69		\$3.69
INSECTICIDE	\$15.88	1 X/ACRE	\$15.88		\$15.88
CROP INSURANCE	\$0.12		\$0.12		\$0.12
<b>SUBTOTAL</b>			<b>\$19.69</b>		<b>\$19.69</b>

PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
DISC	165 HP	0.11 HR		\$0.82	\$2.07	\$1.62	\$3.39	\$7.90
STUBBLE MULCH	165 HP	0.10 HR		\$0.75	\$1.88	\$1.34	\$3.04	\$7.01
LISTER	165 HP	0.09 HR		\$0.67	\$1.69	\$0.84	\$2.97	\$6.18
ROD WEED	165 HP	0.05 HR		\$0.37	\$0.94	\$0.34	\$1.22	\$2.88
PLANTER	93 HP	0.12 HR		\$0.89	\$1.46	\$0.57	\$3.73	\$6.65
CULTIVATOR	93 HP	0.10 HR		\$0.75	\$1.22	\$0.70	\$2.19	\$4.85
SPRAYER	93 HP	0.06 HR		\$0.45	\$0.73	\$0.17	\$1.01	\$2.36
<b>SUBTOTAL</b>		<b>0.63 HR</b>		<b>\$4.69</b>	<b>\$10.00</b>	<b>\$5.58</b>	<b>\$17.56</b>	<b>\$37.83</b>

HARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
COMBINE		0.14 HR		\$1.04	\$2.46	\$0.39	\$9.91	\$13.80
HAUL	2 TON	0.14 HR		\$1.04	\$1.87	\$0.86	\$4.59	\$8.36
<b>SUBTOTAL</b>		<b>0.28 HR</b>		<b>\$2.09</b>	<b>\$4.32</b>	<b>\$1.26</b>	<b>\$14.49</b>	<b>\$22.16</b>

OVERHEAD EXPENSES	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
DOWNTIME	0.12 HR		\$0.88				\$0.88
EMPLOYEE BENEFITS			\$1.22				\$1.22
INSURANCE		\$0.14					\$0.14
LAND TAXES						\$0.53	\$0.53
SUPERVISION AND MANAGEMENT			\$4.75				\$4.75
OTHER EXPENSES		\$25.65					\$25.65
<b>SUBTOTAL</b>	<b>0.12 HR</b>		<b>\$25.79</b>	<b>\$6.84</b>		<b>\$0.53</b>	<b>\$33.16</b>

<b>TOTAL OPERATING EXPENSES</b>	<b>1.03 HR</b>		<b>\$45.48</b>	<b>\$13.62</b>	<b>\$14.32</b>	<b>\$6.83</b>	<b>\$32.58</b>	<b>\$112.84</b>
---------------------------------	----------------	--	----------------	----------------	----------------	---------------	----------------	-----------------

<b>NET OPERATING PROFIT</b>								<b>(\$52.40)</b>
-----------------------------	--	--	--	--	--	--	--	------------------

INTEREST ON OPERATING CAPITAL	(	\$14.21	@	7.00%	)			\$0.99
INTEREST ON EQUIPMENT INVESTMENT								\$16.03

<b>RETURN TO LAND AND RISK</b>								<b>(\$69.42)</b>
--------------------------------	--	--	--	--	--	--	--	------------------

**BUDGET SUMMARY**

GROSS RETURN		\$60.45	
VARIABLE OPERATING EXPENSES	\$66.64		
RETURN OVER VARIABLE EXPENSES		(\$6.19)	(GROSS MARGIN)
FIXED EXPENSES	\$32.58		
NET FARM INCOME		(\$38.78)	(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$13.62		
NET OPERATING PROFIT		(\$52.40)	(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$17.02		
RETURN TO LAND AND RISK		(\$69.42)	

TABLE 6. Wheat, dryland, budgeted per acre costs and returns for a 1,280 acre farm with above average management, Rogers-Dora area, Roosevelt County Projected 2005.  
 Planting dates: August 15 - September 15  
 Harvesting dates: June 1 - June 25

ITEM	PRICE	YIELD	BASE					TOTAL
<b>GROSS RETURNS</b>								
WHEAT	\$3.75	18.00 BUSHELS						\$67.50
DIRECT PAYMENT	\$0.00	18.00 BUSHEL	0.85					\$0.00
COUNTER CYCLICAL PAYMENT	\$0.00							\$0.00
GRAZING	\$10.00	1.00 ACRE						\$10.00
<b>TOTAL</b>								<b>\$77.50</b>
<b>PURCHASED INPUTS</b>								
PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS			FIXED COST	TOTAL	
SEED	\$0.24	30 LB		\$7.20				\$7.20
CROP INSURANCE	\$0.09			\$0.09				\$0.09
				\$7.29				\$7.29
<b>PREHARVEST OPERATIONS</b>								
PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
STUBBLE MULCH	165 HP	0.10 HR		\$0.75	\$1.88	\$1.34	\$3.04	\$7.01
DISC	165 HP	0.11 HR		\$0.82	\$2.07	\$1.62	\$3.39	\$7.90
RODWEED	165 HP	0.05 HR		\$0.37	\$0.94	\$0.34	\$1.22	\$2.88
DRILL	93 HP	0.05 HR		\$0.37	\$0.61	\$0.29	\$3.24	\$4.51
<b>SUBTOTAL</b>		0.31 HR		\$2.31	\$5.50	\$3.59	\$10.89	\$22.30
<b>HARVEST OPERATIONS</b>								
COMBINE		0.14 HR		\$1.04	\$2.46	\$0.39	\$9.91	\$13.80
HAUL	2 TON	0.14 HR		\$1.04	\$1.87	\$0.86	\$4.59	\$8.36
<b>SUBTOTAL</b>		0.28 HR		\$2.09	\$4.32	\$1.26	\$14.49	\$22.16
<b>OVERHEAD EXPENSES</b>								
DOWNTIME		0.10 HR		\$0.75				\$0.75
EMPLOYEE BENEFITS				\$0.79				\$0.79
INSURANCE			\$0.09					\$0.09
LAND TAXES							\$0.53	\$0.53
SUPERVISION AND MANAGEMENT				\$5.58				\$5.58
OTHER EXPENSES			\$25.65					\$25.65
<b>SUBTOTAL</b>		0.10 HR	\$25.74	\$7.12			\$0.53	\$33.39
<b>TOTAL OPERATING EXPENSES</b>		0.69 HR	\$32.94	\$11.51	\$9.83	\$4.85	\$25.92	\$85.05
<b>NET OPERATING PROFIT</b>								<b>(\$7.55)</b>
INTEREST ON OPERATING CAPITAL		( \$6.34 @	7.00%	)				\$0.44
INTEREST ON EQUIPMENT INVESTMENT								\$11.75
<b>RETURN TO LAND AND RISK</b>								<b>(\$19.74)</b>

**BUDGET SUMMARY**

GROSS RETURN		\$77.50	
VARIABLE OPERATING EXPENSES	\$47.61		
RETURN OVER VARIABLE EXPENSES	\$29.89	(GROSS MARGIN)	
FIXED EXPENSES	\$25.92		
NET FARM INCOME	\$3.96	(RETURN TO CAPITAL, LABOR, LAND & RISK)	
LABOR AND MANAGEMENT COST	\$11.51		
NET OPERATING PROFIT		(\$7.55)	(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$12.19		
RETURN TO LAND AND RISK		(\$19.74)	

TABLE 7. Summary of per acre costs and returns for a 1,280 acre farm, Roosevelt County, Projected 2005.

	GRAIN SORGHUM	WHEAT
	CWT	BU
PRIMARY YIELD	15.00	18.00
PRIMARY PRICE	\$3.70	\$3.75
GOVERNMENT PAYMENTS	\$0.00	\$0.00
SECOND INCOME	\$5.00	\$10.00
GROSS RETURN	\$60.45	\$77.50
CASH OPERATING EXPENSES		
SEED	\$3.69	\$7.20
FERTILIZER		
CHEMICALS	\$15.88	
CROP INSURANCE	\$0.12	\$0.09
OTHER PURCHASED INPUTS		
CANAL WATER		
FUEL, OIL & LUBRICANTS-EQUIPMENT	\$14.32	\$9.83
FUEL-IRRIGATION		
REPAIRS	\$6.83	\$4.85
CUSTOM CHARGES	\$0.00	\$0.00
LAND TAXES	\$0.53	\$0.53
OTHER EXPENSES	\$25.79	\$25.74
TOTAL CASH EXPENSES	\$67.17	\$48.24
RETURN OVER CASH EXPENSES	(\$6.73)	\$29.26
FIXED EXPENSES	\$32.05	\$25.39
TOTAL EXPENSES	\$99.22	\$73.62
NET FARM INCOME	(\$38.78)	\$3.88
LABOR AND MANAGEMENT COSTS	\$13.62	\$11.51
NET OPERATING PROFIT	(\$52.40)	(\$7.63)
CAPITAL COSTS		
INTEREST ON OPERATING CAPITAL	\$0.99	\$0.44
INTEREST ON EQUIPMENT INVESTMENT	\$16.03	\$11.75
TOTAL CAPITAL COSTS	\$17.02	\$12.19
RETURN TO LAND AND RISK	(\$69.42)	(\$19.83)

TABLE 8. Whole farm summary, Rogers-Dora area, Roosevelt County,  
Projected 2005.

GROSS RETURNS		
GRAIN SORGHUM	420.00 ACRES	
CROP		\$23,288
GRAZING		\$2,100
DIRECT PAYMENT		\$0
COUNTER CYCLICAL PAYMENT		\$0
WHEAT	568.20 ACRES	
CROP		\$38,354
GRAZING		\$5,682
DIRECT PAYMENT		\$0
COUNTER CYCLICAL PAYMENT		\$0
GROSS RETURN		<u>\$69,423</u>
CASH OPERATING EXPENSES		
SEED		\$5,641
FERTILIZER		\$0
CHEMICALS		\$6,672
CROP INSURANCE		\$100
OTHER PURCHASED INPUTS		\$0
CANAL WATER		\$0
FUEL, OIL & LUBRICANTS-EQUIPMENT		\$11,600
FUEL-IRRIGATION		\$0
REPAIRS		\$5,624
CUSTOM CHARGES		\$0
LAND TAXES		\$529
OTHER EXPENSES		\$25,456
TOTAL CASH EXPENSES		<u>\$55,621</u>
RETURN OVER CASH EXPENSES		\$13,802
FIXED EXPENSES		\$27,885
TOTAL EXPENSES		\$83,506
NET FARM INCOME		(\$14,083)
LABOR AND MANAGEMENT COSTS		\$12,262
NET OPERATING PROFIT		(\$26,345)
CAPITAL COSTS		
INTEREST ON OPERATING CAPITAL		\$670
INTEREST ON EQUIPMENT INVESTMENT		\$13,406
TOTAL CAPITAL COSTS		<u>\$14,076</u>
RETURN TO LAND AND RISK		<u>(\$40,422)</u>

LAND VALUE	RETURN TO RISK*	RETURN ON INVESTMENT**
\$150 /ACRE	(\$46,182)	-7.38%
\$200 /ACRE	(\$48,102)	-6.25%
\$250 /ACRE	(\$50,022)	-5.43%
\$300 /ACRE	(\$51,942)	-4.80%
\$350 /ACRE	(\$53,862)	-4.30%
\$400 /ACRE	(\$55,782)	-3.89%

\* 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)