

TABLE 1. Acreage Summary, Southeastern Quay County,
Projected 2007.

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,
Projected 2007.

Item		
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Labor Wage Rate:		
Equipment operators	\$/hour	\$7.45
General & Irrigators	\$/hour	\$6.65
Purchased Inputs:		
Seed:		
Wheat	\$/pound	\$0.22
Energy:		
Diesel fuel	\$/gallon	\$2.70
Gasoline	\$/gallon	\$2.45
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	8.00%
Land Interest Rate	percent	8.00%
Equipment Interest Rate	percent	8.00%
Real Interest Rate	percent	3.00%
Land Taxes	\$38.00 /acre (full value)	\$0.31
Personal Property Tax Rate - NR	\$/(\$1,000 (Assessed	\$24.51
- R	Value)	\$22.84
Supervision Factor	\$/labor hour	\$1.00
Management Rate	percent	7.00%

TABLE 3. Overhead cost information for Southeastern Quay County,
Projected 2007.

Item		
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Electricity (Domestic & Shop)	\$218.00 per month	\$2,616
Telephone	\$168.95 per month	\$2,027
Accounting & Legal		\$1,575
Misc. Supplies & Hand Tools		\$2,344
Pickup and Auto		
miles	33,790 @ \$0.415 per mile	\$14,023
Insurance		
- general liability (non-employee)		\$1,690
- fire/theft		\$1,335
Property Taxes		
- non-planted land		\$0
- other than land & machinery		\$6,010
Building repairs and maintenance		\$1,286
Dues, fees, publications		\$387
Farmstead Equipment		\$164
Total		\$33,456
Total per planted acre		\$26.14

TABLE 4. Equipment summary for a 1,920 acre dryland farm, Southeastern Quay County, Projected 2007.

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	\$14,410	\$2,105	\$265	\$16.44	\$2.07	\$987	\$141	\$8.81	
TRACTOR 185 HP	256	1	\$42,539	\$7,160	\$1,481	\$27.97	\$5.79	\$6,428	\$394	\$26.65	
COMBINE 145 HP	179	1	\$61,453	\$4,041	\$477	\$22.55	\$2.66	\$8,864	\$543	\$52.49	
GRAIN HEAD 22 FT	179	1	\$3,600		\$27		\$0.15	\$501	\$31	\$2.97	
TRUCK 2T 20 FT	179	1	\$22,000	\$3,074	\$3,893	\$17.15	\$21.72	\$4,400	\$180	\$25.56	
ROD WEED 40 FT	128	1	\$1,200		\$190		\$1.49	\$160	\$10	\$1.33	
CRUSTBUS 40 FT	64	1	\$5,500		\$169		\$2.64	\$1,100	\$45	\$17.89	
STUB. MULC 25 FT	64	1	\$7,650		\$607		\$9.49	\$1,020	\$63	\$16.91	
SWEEP 40 FT	128	1	\$6,750		\$1,071		\$8.37	\$900	\$55	\$7.46	
			\$165,101	\$16,379	\$8,181			\$24,360	\$1,461		

EQUIPMENT LIST

ITEM		NEW VALUE	USED VALUE	YEARS LIFE	EQUIP CODE	MAX HOURS	FUEL UNIT/HR	LUBE COEF	ACCUM HOURS	AGE	INTEREST EXPENSE
TRACTOR	93 HP	34550.00	14409.50	35.00	1.00	800.00	5.54	0.10	2944.00	23.00	1382.00
TRACTOR	185 HP	96420.00	42538.50	15.00	1.00	800.00	9.42	0.10	2816.00	11.00	3856.80
COMBINE	145 HP	132955.00	61453.00	15.00	2.00	300.00	6.96	0.20	2329.60	13.00	5318.20
GRAIN HEAD	22 FT	7520.00	3600.00	15.00	2.00	300.00			2329.60	13.00	300.80
TRUCK 2T	20 FT	44000.00	22000.00	10.00	6.00	800.00	6.05	0.05	2329.60	13.00	1760.00
ROD WEED	40 FT	2400.00	1200.00	15.00	3.00	300.00			1920.00	15.00	96.00
CRUSTBUS	40 FT	11000.00	5500.00	10.00	8.00	100.00			832.00	13.00	440.00
STUB. MULC	25 FT	15300.00	7650.00	15.00	3.00	300.00			960.00	15.00	612.00
SWEEP	40 FT	13500.00	6750.00	15.00	3.00	300.00			2048.00	16.00	540.00

TABLE 5. Wheat, dryland, budgeted per acre costs and returns for a 1,920 acre farm with above average management, Southeastern Quay County, Projected 2007.

Planting dates: August 20 - September 15

Harvesting dates: June 15 - July 10

ITEM	PRICE	YIELD	BASEBASEBASEBASEBASEBASEBASEBASEBASEBASEBASE					TOTAL
GROSS RETURNS								
WHEAT	\$5.00	14.00 BUSHELS						\$70.00
DIRECT PAYMENT	\$0.00	14.00 BUSHELS	0.85					\$0.00
COUNTER CYCLICAL PAYMENT	\$0.00							\$0.00
GRAZING	\$5.00	1.00 ACRE						\$5.00
TOTAL								\$75.00
PURCHASED INPUTS								
PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS					TOTAL
SEED	\$0.22	25 LBS						\$5.50
CROP INSURANCE	\$0.04							\$0.04
SUBTOTAL								\$5.54
PREHARVEST OPERATIONS								
	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
SWEEP (2X)	185 HP	0.10 HR		\$0.75	\$2.80	\$1.42	\$3.41	\$8.37
STUBBLE MULCHER	185 HP	0.05 HR		\$0.37	\$1.40	\$0.76	\$2.18	\$4.71
RODWEED (2X)	96 HP	0.10 HR		\$0.75	\$1.64	\$0.36	\$1.01	\$3.76
DRILL	185 HP	0.05 HR		\$0.37	\$1.40	\$0.42	\$2.23	\$4.42
SUBTOTAL		0.30 HR		\$2.24	\$7.24	\$2.96	\$8.83	\$21.26
HARVEST OPERATIONS								
COMBINE	22 FT	0.14 HR		\$1.04	\$3.16	\$0.39	\$7.76	\$12.36
HAUL	2 TON	0.14 HR		\$1.04	\$2.40	\$3.04	\$3.58	\$10.06
SUBTOTAL		0.28 HR		\$2.09	\$5.56	\$3.43	\$11.34	\$22.42
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				\$3.75				\$3.75
OTHER EXPENSES			\$26.14					\$26.14
SUBTOTAL		0.15 HR	\$26.22	\$4.94		\$0.31		\$31.47
TOTAL OPERATING EXPENSES		0.73 HR	\$31.72	\$9.26	\$12.80	\$6.39	\$20.48	\$80.66
NET OPERATING PROFIT								(\$5.66)
INTEREST ON OPERATING CAPITAL		(\$6.07 @	0.08)					\$0.49
INTEREST ON EQUIPMENT INVESTMENT								\$11.18
RETURN TO LAND AND RISK								(\$17.32)

BUDGET SUMMARY

GROSS RETURN	\$75.00	
VARIABLE OPERATING EXPENSES	\$50.91	
RETURN OVER VARIABLE EXPENSES	\$24.09	(GROSS MARGIN)
FIXED EXPENSES	\$20.48	
NET FARM INCOME	\$3.61	(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$9.26	
NET OPERATING PROFIT	(\$5.66)	(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$11.66	
RETURN TO LAND AND RISK	(\$17.32)	

TABLE 6. Summary of per acre costs and returns for a 1,920 acre farm with above average management, Southeastern Quay County, Projected 2007.

	WHEAT -DRYLAND-
	BU
PRIMARY YIELD	14.00
PRIMARY PRICE	\$5.00
GOVERNMENT PAYMENTS	\$0.00
SECOND INCOME	\$5.00
GROSS RETURN	\$75.00
CASH OPERATING EXPENSES	
SEED	\$5.50
FERTILIZER	
CHEMICALS	
CROP INSURANCE	\$0.04
OTHER PURCHASED INPUTS	\$0.09
CANAL WATER	
FUEL, OIL & LUBRICANTS-EQUIPMENT	\$12.80
FUEL-IRRIGATION	
REPAIRS	\$6.39
CUSTOM CHARGES	
LAND TAXES	\$0.31
OTHER EXPENSES	\$26.14
TOTAL CASH EXPENSES	\$51.26
RETURN OVER CASH EXPENSES	\$23.74
FIXED EXPENSES	\$20.17
TOTAL EXPENSES	\$71.43
NET FARM INCOME	\$3.57
LABOR AND MANAGEMENT COSTS	\$9.26
NET OPERATING PROFIT	(\$5.70)
CAPITAL COSTS	
INTEREST ON OPERATING CAPITAL	\$0.49
INTEREST ON EQUIPMENT INVESTMENT	\$11.18
TOTAL CAPITAL COSTS	\$11.66
RETURN TO LAND AND RISK	(\$17.36)

TABLE 7. Whole farm summary, Southeastern Quay County,
Projected 2007.

GROSS RETURNS		
WHEAT	1,280 ACRES	
CROP		\$89,600
GRAZING		\$6,400
DIRECT PAYMENT		\$0
COUNTER CYCLICAL PAYMENT		\$0
GROSS RETURN		<u>\$96,000</u>
CASH OPERATING EXPENSES		
SEED		\$7,040
FERTILIZER		\$0
CHEMICALS		\$0
CROP INSURANCE		\$50
OTHER PURCHASED INPUTS		\$111
CANAL WATER		\$0
FUEL, OIL & LUBRICANTS-EQUIPMENT		\$16,379
FUEL-IRRIGATION		\$0
REPAIRS		\$8,181
CUSTOM CHARGES		\$0
LAND TAXES		\$397
OTHER EXPENSES		\$33,456
TOTAL CASH EXPENSES		<u>\$65,614</u>
RETURN OVER CASH EXPENSES		\$30,386
FIXED EXPENSES		\$25,821
TOTAL EXPENSES		\$91,435
NET FARM INCOME		\$4,565
LABOR AND MANAGEMENT COSTS		\$11,855
NET OPERATING PROFIT		(\$7,290)
CAPITAL COSTS		
INTEREST ON OPERATING CAPITAL		\$621
INTEREST ON EQUIPMENT INVESTMENT		\$14,306
TOTAL CAPITAL COSTS		<u>\$14,927</u>
RETURN TO LAND AND RISK		<u>(\$22,217)</u>

LAND VALUE	RETURN TO RISK*	RETURN ON INVESTMENT**
\$150 /ACRE	(\$30,857)	-1.61%
\$300 /ACRE	(\$39,497)	-0.98%
\$450 /ACRE	(\$48,137)	-0.71%
\$600 /ACRE	(\$56,777)	-0.55%
\$750 /ACRE	(\$65,417)	-0.45%
\$900 /ACRE	(\$74,057)	-0.39%

* 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)