

TABLE 6. Wheat, flood-irrigated, budgeted per acre costs and returns for a 520 acre farm with above average management, Curry County,
 Projected 2015
 Planting Dates: August 15 - September 15
 Harvesting Dates: June 15 - July 15

ITEM	PRICE	YIELD	BASE	TOTAL
GROSS RETURNS				
WHEAT	\$7.00	65.00 BUSHELS		\$455.00
DIRECT PAYMENT	\$0.00	65.00 BUSHEL	0.85	\$0.00
COUNTER CYCLICAL PAYMENT	\$0.00			\$0.00
GRAZING	\$40.00	1.00 ACRE		\$40.00
TOTAL				\$495.00

PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS	FIXED COST	TOTAL
SEED	\$0.45	60 LBS	\$27.00		\$27.00
ANHYDROUS AMMONIA (NH3)	\$0.33	100 LBS	\$32.50		\$32.50
NITROGEN (N)	\$0.45	18 LBS	\$8.10		\$8.10
PHOSPHORUS (P205)	\$0.40	46 LBS	\$18.40		\$18.40
INSECTICIDE (CUSTOM)	\$9.59	1 ACRE	\$9.59		\$9.59
HERBICIDE (CUSTOM)	\$10.69	1 ACRE	\$10.69		\$10.69
PUMP WATER*		15 AC. IN.			
CROP INSURANCE	\$0.15		\$0.15		\$0.15
SUBTOTAL			\$106.43		\$106.43

PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
DISC (3X)	185 HP	0.33 HR		\$2.56	\$11.96	\$5.55	\$12.77	\$32.84
ANHYDROUS APPL	185 HP	0.17 HR		\$1.32	\$6.16	\$0.96	\$4.74	\$13.18
LISTER	185 HP	0.12 HR		\$0.93	\$4.35	\$1.00	\$4.20	\$10.48
FERT SPREADER	145 HP	0.05 HR		\$0.39	\$1.37	\$0.22	\$2.46	\$4.43
DRILL	145 HP	0.13 HR		\$1.01	\$3.56	\$0.79	\$9.29	\$14.65
IRRIGATE (3X)		1.50 HR		\$11.25	\$56.41	\$0.00	\$3.65	\$71.31
SUBTOTAL		2.30 HR		\$17.45	\$83.81	\$8.52	\$37.11	\$146.89

HARVEST OPERATIONS								
COMBINE (CUSTOM)				\$24.74				\$24.74
HAUL (CUSTOM)				\$10.40				\$10.40
SUBTOTAL				\$35.14				\$35.14

OVERHEAD EXPENSES								
DOWNTIME		0.20 HR		\$1.55				\$1.55
EMPLOYEE BENEFITS				\$3.14				\$3.14
INSURANCE				\$0.35				\$0.35
LAND TAXES						\$0.79		\$0.79
SUPERVISION AND MANAGEMENT				\$36.55				\$36.55
OTHER EXPENSES				\$66.60				\$66.60
SUBTOTAL		0.20 HR		\$66.95	\$41.24		\$0.79	\$108.98

TOTAL OPERATING EXPENSES		2.50 HR		\$208.52	\$58.69	\$83.81	\$8.52	\$37.90	\$397.44
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NET OPERATING PROFIT									\$97.56
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INTEREST ON OPERATING CAPITAL	(\$79.22	@	5.50%)				\$4.36
INTEREST ON EQUIPMENT INVESTMENT									\$10.22

RETURN TO LAND AND RISK									\$82.98
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* Pump water costs are shown under irrigation in the preharvest operations section.
 BUDGET SUMMARY

GROSS RETURN		\$495.00	
VARIABLE OPERATING EXPENSES	\$300.84		
RETURN OVER VARIABLE EXPENSES		\$194.16	(GROSS MARGIN)
FIXED EXPENSES	\$37.90		
NET FARM INCOME		\$156.25	(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$58.69		
NET OPERATING PROFIT		\$97.56	(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$14.58		
RETURN TO LAND AND RISK		\$82.98	

TABLE 7. Grain sorghum, flood-irrigated, budgeted per acre costs and returns for a 520 acre farm with above average management, Curry County, Projected 2015
 Planting Dates: May 15 - June 15
 Harvesting Dates: October 15 - November 15

ITEM	PRICE	YIELD	BASE	TOTAL
GROSS RETURNS				
GRAIN SORGHUM	\$7.06	65.00 CWT		\$459.18
DIRECT PAYMENT	\$0.00	65.00 CWT	0.85	\$0.00
COUNTER CYCLICAL PAYMENT	\$0.00	0.00 CWT		\$0.00
GRAZING	\$9.00	1.00 ACRE		\$9.00
TOTAL				\$468.18

PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS	FIXED COST	TOTAL
SEED	\$1.31	5 LBS	\$6.55		\$6.55
ANHYDROUS (NH3)	\$0.33	150 LBS	\$48.75		\$48.75
NITROGEN (N)	\$0.45	25 LBS	\$11.25		\$11.25
PHOSPHORUS (P205)	\$0.40	50 LBS	\$20.00		\$20.00
HERBICIDE (CUSTOM)	\$14.11	1 X/ACRE	\$14.11		\$14.11
INSECTICIDE (CUSTOM)	\$13.49	1 X/ACRE	\$13.49		\$13.49
TRACE ELEMENTS	\$13.89	1 ACRE	\$13.89		\$13.89
PUMP WATER*		20 AC. IN.			
CROP INSURANCE	\$0.29		\$0.29		\$0.29
SUBTOTAL			\$128.33		\$128.33

PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
DISC	185 HP	0.11 HR		\$0.85	\$3.99	\$1.85	\$4.26	\$10.95
CHISEL	185 HP	0.15 HR		\$1.16	\$5.44	\$1.16	\$6.11	\$13.86
DISC (2X)	185 HP	0.22 HR		\$1.71	\$7.98	\$3.70	\$8.51	\$21.89
ANHYDROUS APPL	185 HP	0.17 HR		\$1.32	\$6.16	\$0.96	\$4.74	\$13.18
LISTER	185 HP	0.12 HR		\$0.93	\$4.35	\$1.00	\$4.20	\$10.48
PRE-IRRIGATE		0.50 HR		\$3.88	\$15.04	\$0.00	\$0.97	\$19.89
ROD WEEDER	140 HP	0.08 HR		\$0.62	\$2.19	\$0.41	\$4.67	\$7.89
PLANTER	140 HP	0.17 HR		\$1.32	\$4.65	\$1.09	\$15.00	\$22.05
CULTIVATOR (2X)	140 HP	0.26 HR		\$2.02	\$7.11	\$2.74	\$18.64	\$30.51
IRRIGATE (4X)		2.00 HR		\$15.00	\$60.17	\$0.00	\$3.89	\$79.06
SUBTOTAL		3.78 HR		\$28.80	\$117.08	\$12.90	\$70.99	\$229.76

HARVEST OPERATIONS								
COMBINE (CUSTOM)				\$28.43				\$28.43
HAUL (CUSTOM)				\$12.35				\$12.35
SUBTOTAL				\$40.78				\$40.78

OVERHEAD EXPENSES								
DOWNTIME		0.32 HR		\$2.48				\$2.48
EMPLOYEE BENEFITS				\$5.18				\$5.18
INSURANCE				\$0.58				\$0.58
LAND TAXES						\$0.79		\$0.79
SUPERVISION AND MANAGEMENT				\$35.66				\$35.66
OTHER EXPENSES				\$66.60				\$66.60
SUBTOTAL		0.32 HR		\$67.18	\$43.33		\$0.79	\$111.29

TOTAL OPERATING EXPENSES 4.10 HR \$236.29 \$72.12 \$117.08 \$12.90 \$71.78 \$510.17

NET OPERATING PROFIT (\$41.99)

INTEREST ON OPERATING CAPITAL (\$100.06 @ 5.50%) \$5.50
 INTEREST ON EQUIPMENT INVESTMENT \$19.47

RETURN TO LAND AND RISK (\$66.97)

* Pump water costs are shown under irrigation in the preharvest operations section.
 BUDGET SUMMARY

GROSS RETURN		\$468.18	
VARIABLE OPERATING EXPENSES	\$366.27		
RETURN OVER VARIABLE EXPENSES	\$101.91	(GROSS MARGIN)	
FIXED EXPENSES	\$71.78		
NET FARM INCOME	\$30.13	(RETURN TO CAPITAL, LABOR, LAND & RISK)	
LABOR AND MANAGEMENT COST	\$72.12		
NET OPERATING PROFIT	(\$41.99)	(RETURN TO CAPITAL, LAND & RISK)	
CAPITAL COSTS	\$24.98		
RETURN TO LAND AND RISK	(\$66.97)		

TABLE 8. Summary of per acre costs and returns for a 520 acre farm with above average management, Curry County
Projected 2015

	WHEAT	GRAIN SORGHUM
	BUSHEL	CWT
PRIMARY YIELD	65.00	65.00
PRIMARY PRICE	\$7.00	\$7.06
GOVERNMENT PAYMENTS	\$0.00	\$0.00
SECOND INCOME	\$40.00 ACRE	\$9.00 ACRE
GROSS RETURN	\$495.00	\$468.18
CASH OPERATING EXPENSES		
SEED	\$27.00	\$6.55
FERTILIZER	\$59.00	\$93.89
CHEMICALS	\$20.28	\$27.60
CROP INSURANCE	\$0.15	\$0.29
OTHER PURCHASED INPUTS		
CANAL WATER		
FUEL, OIL & LUBRICANTS-EQUIPMENT	\$27.40	\$41.87
FUEL-IRRIGATION	\$56.41	\$75.21
REPAIRS	\$8.52	\$12.90
CUSTOM CHARGES	\$35.14	\$40.78
LAND TAXES	\$0.79	\$0.79
OTHER EXPENSES	\$66.95	\$67.18
TOTAL CASH EXPENSES	<u>\$301.63</u>	<u>\$367.06</u>
RETURN OVER CASH EXPENSES	\$193.37	\$101.12
FIXED EXPENSES	\$37.11	\$70.99
TOTAL EXPENSES	\$338.75	\$438.05
NET FARM INCOME	\$156.25	\$30.13
LABOR AND MANAGEMENT COSTS	\$58.69	\$72.12
NET OPERATING PROFIT	\$97.56	(\$41.99)
CAPITAL COSTS		
INTEREST ON OPERATING CAPITAL	\$4.36	\$5.50
INTEREST ON EQUIPMENT INVESTMENT	\$10.22	\$19.47
TOTAL CAPITAL COSTS	<u>\$14.58</u>	<u>\$24.98</u>
RETURN TO LAND AND RISK	<u>\$82.98</u>	<u>(\$66.97)</u>
Flex Computation	130.32	23.50

TABLE 9. Whole farm summary, Curry County,
Projected 2015

GROSS RETURNS		
WHEAT	330 ACRES	
CROP		\$150,150
GRAZING		\$13,200
DIRECT PAYMENT		\$0
COUNTER CYCLICAL PAYMENT		\$0
GRAIN SORGHUM	170 ACRES	
CROP		\$78,060
GRAZING		\$1,530
DIRECT PAYMENT		\$0
COUNTER CYCLICAL PAYMENT		\$0
GROSS RETURN		<u>\$242,940</u>
CASH OPERATING EXPENSES		
SEED		\$10,024
FERTILIZER		\$35,431
CHEMICALS		\$11,382
CROP INSURANCE		\$100
OTHER PURCHASED INPUTS		\$0
CANAL WATER		\$0
FUEL, OIL & LUBRICANTS-EQUIPMENT		\$16,160
FUEL-IRRIGATION		\$31,400
REPAIRS		\$5,004
CUSTOM CHARGES		\$18,529
LAND TAXES		\$394
OTHER EXPENSES		\$33,515
TOTAL CASH EXPENSES		<u>\$161,939</u>
RETURN OVER CASH EXPENSES		\$81,002
FIXED EXPENSES		\$24,316
TOTAL EXPENSES		\$186,255
NET FARM INCOME		\$56,686
LABOR AND MANAGEMENT COSTS		\$31,629
NET OPERATING PROFIT		\$25,057
CAPITAL COSTS		
INTEREST ON OPERATING CAPITAL		\$2,373
INTEREST ON EQUIPMENT INVESTMENT		\$6,683
TOTAL CAPITAL COSTS		<u>\$9,057</u>
RETURN TO LAND AND RISK		<u><u>\$16,000</u></u>

LAND VALUE	RETURN TO RISK*	RETURN ON INVESTMENT**
\$500 /ACRE	\$8,200	6.71%
\$1,000 /ACRE	\$400	3.96%
\$1,500 /ACRE	(\$7,400)	2.80%
\$2,000 /ACRE	(\$15,200)	2.17%
\$2,500 /ACRE	(\$23,000)	1.77%

* 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)