

TABLE 6. Wheat, sprinkler-irrigated, budgeted per acre costs and returns for a 640 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	75.00 BUSHELS		\$525.00
DIRECT PAYMENT	\$0.00	75.00 BUSHELS	0.85	\$0.00
COUNTER CYCLICAL PAYMENT	\$0.00			\$0.00
GRAZING	\$40.00	1.00 ACRE		\$40.00
TOTAL				\$565.00

PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS	FIXED COST	TOTAL
SEED	\$0.45	80 LBS	\$36.00		\$36.00
LIQUID FERT (28-0-0)	\$0.07	460 LBS	\$33.35		\$33.35
NITROGEN (N)	\$0.45	18 LBS	\$8.10		\$8.10
PHOSPHATE (P205)	\$0.40	46 LBS	\$18.40		\$18.40
INSECTICIDE (CUSTOM)	\$11.16	1 ACRE	\$11.16		\$11.16
HERBICIDE (CUSTOM)	\$11.16	1 ACRE	\$11.16		\$11.16
PUMP WATER*		10 AC. IN.			
CROP INSURANCE	\$0.26		\$0.26		\$0.26
SUBTOTAL			\$118.43		\$118.43

PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
CHISEL	185 HP	0.15 HR		\$1.16	\$5.44	\$1.16	\$4.60	\$12.36
DISC (3X)	185 HP	0.33 HR		\$2.56	\$11.96	\$4.94	\$11.22	\$30.68
FERT SPREADER-ANHY	140 HP	0.05 HR		\$0.39	\$1.37	\$0.22	\$1.79	\$3.77
DRILL	140 HP	0.13 HR		\$1.01	\$3.56	\$0.79	\$8.51	\$13.86
IRRIGATE (7X)		0.70 HR		\$5.25	\$47.91	\$0.00	\$4.17	\$57.33
SUBTOTAL		1.36 HR		\$10.37	\$70.23	\$7.10	\$30.30	\$118.00

HARVEST OPERATIONS								
COMBINE (CUSTOM)			\$8.76					\$8.76
HAUL (CUSTOM)			\$12.00					\$12.00
SUBTOTAL			\$20.76					\$20.76

OVERHEAD EXPENSES								
DOWNTIME		0.17 HR		\$1.28				\$1.28
EMPLOYEE BENEFITS				\$1.87				\$1.87
INSURANCE			\$0.21					\$0.21
LAND TAXES						\$0.79		\$0.79
SUPERVISION AND MANAGEMENT				\$40.51				\$40.51
OTHER EXPENSES			\$56.54					\$56.54
SUBTOTAL		0.17 HR	\$56.74	\$43.65		\$0.79		\$101.18

TOTAL OPERATING EXPENSES 1.53 HR \$195.94 \$54.01 \$70.23 \$7.10 \$31.09 \$358.38

NET OPERATING PROFIT \$206.62

INTEREST ON OPERATING CAPITAL (\$80.28 @ 5.50%) \$4.42
 INTEREST ON EQUIPMENT INVESTMENT \$11.67

RETURN TO LAND AND RISK \$190.54

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

BUDGET SUMMARY

GROSS RETURN		\$565.00	
VARIABLE OPERATING EXPENSES	\$273.27		
RETURN OVER VARIABLE EXPENSES		\$291.73	(GROSS MARGIN)
FIXED EXPENSES	\$31.09		
NET FARM INCOME		\$260.64	(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$54.01		
NET OPERATING PROFIT		\$206.62	(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$16.09		
RETURN TO LAND AND RISK		\$190.54	

TABLE 7. Corn for grain, sprinkler-irrigated, budgeted per acre costs and returns for a 640 acre farm with above average management, Curry County, Projected 2015
 Planting Dates: April 15 - May 15
 Harvesting Dates: September 1 - October 15

ITEM	PRICE	YIELD	BASE	TOTAL
GROSS RETURNS				
CORN FOR GRAIN	\$7.68	105.00 CWT		\$806.25
DIRECT PAYMENT	\$0.00	105.00 CWT	0.85	\$0.00
COUNTER CYCLICAL PAYMENT	\$0.00	0.00 CWT		\$0.00
GRAZING	\$10.00	1.00 ACRE		\$10.00
TOTAL				\$816.25

PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS	FIXED COST	TOTAL
SEED	\$3.26	34 000	\$110.93		\$110.93
LIQUID FERT (28-0-0)	\$0.08	525 LBS	\$42.00		\$42.00
LIQUID FERT (46-0-0)	\$0.08	325 LBS	\$26.00		\$26.00
K-MAG	\$0.09	45 LBS	\$4.05		\$4.05
PHOSPHATE (P205)	\$0.40	100 LBS	\$40.00		\$40.00
NITROGEN (N)	\$0.45	50 LBS	\$22.50		\$22.50
HERBICIDE (SYSTEM)	\$16.99	1 X/ACRE	\$16.99		\$16.99
INSECTICIDE (SYSTEM)	\$11.16	2 X/ACRE	\$22.32		\$22.32
TRACE ELEMENTS	\$16.00	1 ACRE	\$16.00		\$16.00
PUMP WATER*		20 AC. IN.			
CROP INSURANCE	\$0.16		\$0.16		\$0.16
SUBTOTAL			\$300.95		\$300.95

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	\$1.65	\$3.74	\$10.23
CHISEL	185 HP	0.15 HR		\$1.16	\$5.44	\$1.16	\$4.60	\$12.36
DISC (2X)	185 HP	0.22 HR		\$1.71	\$7.98	\$3.29	\$7.48	\$20.45
FERT SPREADER	140 HP	0.05 HR		\$0.39	\$1.37	\$0.22	\$1.79	\$3.77
PLANTER	140 HP	0.17 HR		\$1.32	\$4.65	\$1.09	\$8.98	\$16.03
CULTIVATOR	140 HP	0.13 HR		\$1.01	\$3.56	\$1.05	\$6.04	\$11.66
IRRIGATE (14X)		1.40 HR		\$10.50	\$95.82	\$0.00	\$8.05	\$114.36
SUBTOTAL		2.23 HR		\$16.93	\$122.79	\$8.44	\$40.69	\$188.85

HARVEST OPERATIONS								
COMBINE (CUSTOM)				\$20.00				\$20.00
HAUL (CUSTOM)				\$18.90				\$18.90
SUBTOTAL				\$38.90				\$38.90

OVERHEAD EXPENSES								
DOWNTIME		0.21 HR		\$1.61				\$1.61
EMPLOYEE BENEFITS				\$3.05				\$3.05
INSURANCE				\$0.34				\$0.34
LAND TAXES							\$0.79	\$0.79
SUPERVISION AND MANAGEMENT				\$58.95				\$58.95
OTHER EXPENSES				\$56.54				\$56.54
SUBTOTAL		0.21 HR		\$56.88	\$63.61		\$0.79	\$121.27

TOTAL OPERATING EXPENSES		2.44 HR		\$396.72	\$80.54	\$122.79	\$8.44	\$41.47	\$649.97
---------------------------------	--	----------------	--	-----------------	----------------	-----------------	---------------	----------------	-----------------

NET OPERATING PROFIT									\$166.28
-----------------------------	--	--	--	--	--	--	--	--	-----------------

INTEREST ON OPERATING CAPITAL	(\$186.52	@	5.50%)				\$10.26
INTEREST ON EQUIPMENT INVESTMENT									\$16.27

RETURN TO LAND AND RISK									\$139.75
--------------------------------	--	--	--	--	--	--	--	--	-----------------

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

BUDGET SUMMARY

GROSS RETURN		\$816.25		
VARIABLE OPERATING EXPENSES	\$527.96			
RETURN OVER VARIABLE EXPENSES		\$288.29	(GROSS MARGIN)	
FIXED EXPENSES	\$41.47			
NET FARM INCOME		\$246.82	(RETURN TO CAPITAL, LABOR, LAND & RISK)	
LABOR AND MANAGEMENT COST	\$80.54			
NET OPERATING PROFIT		\$166.28	(RETURN TO CAPITAL, LAND & RISK)	
CAPITAL COSTS	\$26.53			
RETURN TO LAND AND RISK		\$139.75		

TABLE 8. Summary of per acre costs and returns for a 640 acre farm with above average management Curry County
Projected 2015

	WHEAT	CORN FOR GRAIN
	BUSHELS	CWT
PRIMARY YIELD	75.00	105.00
PRIMARY PRICE	\$7.00	\$7.68
GOVERNMENT PAYMENTS	\$0.00	\$0.00
SECOND INCOME	\$40.00 ACRE	\$10.00 ACRE
GROSS RETURN	\$565.00	\$816.25
CASH OPERATING EXPENSES		
SEED	\$36.00	\$110.93
FERTILIZER	\$59.85	\$150.55
CHEMICALS	\$22.32	\$39.31
CROP INSURANCE	\$0.26	\$0.16
OTHER PURCHASED INPUTS		
CANAL WATER		
FUEL, OIL & LUBRICANTS-EQUIPMENT	\$22.33	\$26.98
FUEL-IRRIGATION	\$47.91	\$95.82
REPAIRS	\$7.10	\$8.44
CUSTOM CHARGES	\$20.76	\$38.90
LAND TAXES	\$0.79	\$0.79
OTHER EXPENSES	\$56.74	\$56.88
TOTAL CASH EXPENSES	\$274.06	\$528.75
RETURN OVER CASH EXPENSES	\$290.94	\$287.50
FIXED EXPENSES	\$30.30	\$40.69
TOTAL EXPENSES	\$304.36	\$569.43
NET FARM INCOME	\$260.64	\$246.82
LABOR AND MANAGEMENT COSTS	\$54.01	\$80.54
NET OPERATING PROFIT	\$206.62	\$166.28
CAPITAL COSTS		
INTEREST ON OPERATING CAPITAL	\$4.42	\$10.26
INTEREST ON EQUIPMENT INVESTMENT	\$11.67	\$16.27
TOTAL CAPITAL COSTS	\$16.09	\$26.53
RETURN TO LAND AND RISK	\$190.54	\$139.75
Flex Computation	232.51	196.70

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

GROSS RETURNS		
WHEAT	194 ACRES	
CROP		\$101,850
GRAZING		\$7,760
DIRECT PAYMENT		\$0
COUNTER CYCLICAL PAYMENT		\$0
CORN FOR GRAIN	306 ACRES	
CROP		\$246,713
GRAZING		\$3,060
DIRECT PAYMENT		\$0
COUNTER CYCLICAL PAYMENT		\$0
GROSS RETURN		<u>\$359,383</u>
CASH OPERATING EXPENSES		
SEED		\$40,927
FERTILIZER		\$57,679
CHEMICALS		\$16,359
CROP INSURANCE		\$100
OTHER PURCHASED INPUTS		\$0
CANAL WATER		\$0
FUEL, OIL & LUBRICANTS-EQUIPMENT		\$12,586
FUEL-IRRIGATION		\$38,614
REPAIRS		\$3,961
CUSTOM CHARGES		\$15,931
LAND TAXES		\$394
OTHER EXPENSES		\$28,413
TOTAL CASH EXPENSES		<u>\$214,964</u>
RETURN OVER CASH EXPENSES		\$144,418
FIXED EXPENSES		\$18,328
TOTAL EXPENSES		\$233,293
NET FARM INCOME		\$126,090
LABOR AND MANAGEMENT COSTS		\$35,124
NET OPERATING PROFIT		\$90,965
CAPITAL COSTS		
INTEREST ON OPERATING CAPITAL		\$3,996
INTEREST ON EQUIPMENT INVESTMENT		\$7,243
TOTAL CAPITAL COSTS		<u>\$11,239</u>
RETURN TO LAND AND RISK		<u><u>\$79,727</u></u>

LAND VALUE	RETURN TO RISK*	RETURN ON INVESTMENT**
\$500 /ACRE	\$70,127	20.59%
\$1,000 /ACRE	\$60,527	11.94%
\$1,500 /ACRE	\$50,927	8.41%
\$2,000 /ACRE	\$41,327	6.49%
\$2,500 /ACRE	\$31,727	5.28%

* 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)