

MICROCOMPUTER CROP COST AND RETURN GENERATOR

BUDGET AREA..... CURRY COUNTY, Projected 2011.
FARM SIZE..... 640.00 ACRES
IRRIGATION TYPE..... SPRINKLER
NUMBER OF CROPS..... 2

VERSION 1.0

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TABLE 1. Acreage Summary, Curry County,
Projected 2011.

BUDGET AREA.....	CURRY COUNTY
FARM SIZE.....	640 ACRES
IRRIGATION TYPE.....	SPRINKLER
NUMBER OF CROPS....	2

ACREAGE SUMMARY:	LAND USE (ACRES)	WATER USE	
		AC. IN. PER ACRE	TOTAL AC. IN.
WHEAT	119	10	1,190
ARP	0		
FLEX IN WHEAT	21	10	210
CORN	306	20	6,120
ARP	0		
FLEX IN WHEAT	54	10	540
CORNERS, ROADS, HOMESTEAD	140		
TOTAL	640		8,060
ACRE FEET PER ACRE PER ACRE OF WATER RIGHTS			1.05

TABLE 2. Basic cost information for Curry County,
Projected 2011.

Item		
Labor Wage Rate:		
Equipment operators	\$/hour	\$7.45
General & Irrigators	\$/hour	\$7.25
Purchased Inputs:		
Fertilizer:		
Nitrogen (N)	\$/pound	\$0.71
Phosphate (P205)	\$/pound	\$0.65
Seed:		
Corn	\$/bag	\$216.50
Wheat	\$/pound	\$0.32
Diesel fuel	\$/gallon	\$2.95
Gasoline	\$/gallon	\$3.05
Electricity (SWPS)	cents/KwHr	6.78
LP gas	\$/gallon	\$2.45
Natural gas (Gas NM)	\$/MCF	\$3.75
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	6.00%
Equipment Interest Rate	percent	7.00%
Real Interest Rate	percent	3.00%
Land Taxes	\$109.00 /acre (full value)	\$0.79
Personal Property Tax Rate	- NR - R	-\$1,000 (Assessed Value) \$21.81 \$21.93
Supervision Factors		
Field Crop-Irrigation	\$/labor hour	\$1.00
Field Crop-Equipment & General	\$/labor hour	\$0.50
Management Rate	percent	7.00%

TABLE 3. Overhead cost information for Curry County,
Projected 2011.

Item		
Electricity (Domestic & Shop)	\$242.00 per month	\$2,904
Telephone	\$121.00 per month	\$1,452
Accounting & Legal		\$1,773
Misc. Supplies & Hand Tools		\$2,656
Pickup and Auto		
miles	24,200 @ \$0.50 per mile	\$12,100
Insurance		
- general liability (non-employee)		\$2,384
- fire/theft		\$1,912
Property Taxes		
- non-planted land		\$0
- other than land & machinery		\$0
Building repairs and maintenance		\$1,579
Dues, fees, publications		\$424
Farmstead Equipment		\$182
		Total
		\$27,364
Total Per Planned Acre		\$54.73

TABLE 6. Wheat, sprinkler-irrigated, budgeted per acre costs and returns for a 640 acre farm with above average management, Curry County, Projected 2011.
Planting Dates: August 15 - September 15
Harvesting Dates: June 15 - July 15

ITEM	PRICE	YIELD	BASE						TOTAL
GROSS RETURNS									
WHEAT	\$6.50	75.00 BUSHELS							\$487.50
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									\$527.50
PURCHASED INPUTS									
PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS						TOTAL
SEED	\$0.32	80 LBS	\$25.60						\$25.60
LIQUID FERT (28-0-0)	\$0.07	460 LBS	\$33.35						\$33.35
NITROGEN (N)	\$0.71	18 LBS	\$12.78						\$12.78
PHOSPHATE (P205)	\$0.65	46 LBS	\$29.90						\$29.90
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			\$124.21						\$124.21
PREHARVEST OPERATIONS									
PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL	
CHISEL	185 HP	0.15 HR		\$1.12	\$4.58	\$1.17	\$4.70		\$11.58
DISC (3X)	185 HP	0.33 HR		\$2.46	\$10.08	\$4.98	\$11.43		\$28.95
FERT SPREADER-ANHY	140 HP	0.05 HR		\$0.37	\$1.15	\$0.22	\$1.79		\$3.54
DRILL	140 HP	0.13 HR		\$0.97	\$3.00	\$0.79	\$8.51		\$13.27
IRRIGATE (7X)		0.70 HR		\$5.08	\$42.00	\$0.00	\$4.18		\$51.25
SUBTOTAL		1.36 HR		\$9.99	\$60.82	\$7.16	\$30.61		\$108.58
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		\$1.23					\$1.23
EMPLOYEE BENEFITS				\$1.80					\$1.80
INSURANCE			\$0.20						\$0.20
LAND TAXES							\$0.79		\$0.79
SUPERVISION AND MANAGEMENT				\$37.88					\$37.88
OTHER EXPENSES			\$54.73						\$54.73
SUBTOTAL		0.17 HR	\$54.93	\$40.91			\$0.79		\$96.63
TOTAL OPERATING EXPENSES		1.53 HR	\$199.90	\$50.90	\$60.82	\$7.16	\$31.41		\$350.19
NET OPERATING PROFIT									\$177.31
INTEREST ON OPERATING CAPITAL		(\$80.83 @	7.00%)					\$5.66
INTEREST ON EQUIPMENT INVESTMENT									\$15.00
RETURN TO LAND AND RISK									\$156.65

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

BUDGET SUMMARY

GROSS RETURN		\$527.50	
VARIABLE OPERATING EXPENSES	\$267.88		
RETURN OVER VARIABLE EXPENSES		\$259.62	(GROSS MARGIN)
FIXED EXPENSES	\$31.41		
NET FARM INCOME		\$228.21	(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$50.90		
NET OPERATING PROFIT		\$177.31	(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$20.66		
RETURN TO LAND AND RISK		\$156.65	

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 2011.
 Planting Dates: April 15 - May 15
 Harvesting Dates: September 1 - October 15

ITEM	PRICE	YIELD	BASE	TOTAL
GROSS RETURNS				
CORN FOR GRAIN	\$9.38	105.00 CWT		\$984.38
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				\$994.38

PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS	FIXED COST	TOTAL
SEED	\$2.71	34 000	\$92.01		\$92.01
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)	\$0.65	100 LBS	\$65.00		\$65.00
NITROGEN (N)	\$0.71	50 LBS	\$35.50		\$35.50
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			\$320.03		\$320.03

PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
DISC	185 HP	0.11 HR		\$0.82	\$3.36	\$1.66	\$3.81	\$9.65
CHISEL	185 HP	0.15 HR		\$1.12	\$4.58	\$1.17	\$4.70	\$11.58
DISC (2X)	185 HP	0.22 HR		\$1.64	\$6.72	\$3.32	\$7.62	\$19.30
FERT SPREADER	140 HP	0.05 HR		\$0.37	\$1.15	\$0.22	\$1.79	\$3.54
PLANTER	140 HP	0.17 HR		\$1.27	\$3.92	\$1.09	\$8.98	\$15.25
CULTIVATOR	140 HP	0.13 HR		\$0.97	\$3.00	\$1.05	\$6.04	\$11.06
IRRIGATE (14X)		1.40 HR		\$10.15	\$84.00	\$0.00	\$8.05	\$102.20
SUBTOTAL		2.23 HR		\$16.33	\$106.74	\$8.51	\$41.00	\$172.58

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		\$1.55	\$1.55
EMPLOYEE BENEFITS				\$2.94	\$2.94
INSURANCE			\$0.33		\$0.33
LAND TAXES					\$0.79
SUPERVISION AND MANAGEMENT				\$71.42	\$71.42
OTHER EXPENSES			\$54.73		\$54.73
SUBTOTAL		0.21 HR	\$55.05	\$75.91	\$0.79

TOTAL OPERATING EXPENSES		2.44 HR	\$413.99	\$92.24	\$106.74	\$8.51	\$41.79	\$663.27
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NET OPERATING PROFIT								\$331.11
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INTEREST ON OPERATING CAPITAL	(\$192.07	@	7.00%)			\$13.44
INTEREST ON EQUIPMENT INVESTMENT								\$20.86

RETURN TO LAND AND RISK								\$296.80
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* Pump water costs are shown under irrigation in the preharvest operations section.

BUDGET SUMMARY

GROSS RETURN		\$994.38	
VARIABLE OPERATING EXPENSES	\$529.24		
RETURN OVER VARIABLE EXPENSES		\$465.14	(GROSS MARGIN)
FIXED EXPENSES	\$41.79		
NET FARM INCOME		\$423.35	(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$92.24		
NET OPERATING PROFIT		\$331.11	(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$34.30		
RETURN TO LAND AND RISK		\$296.80	

TABLE 8. Summary of per acre costs and returns for a 640 acre farm with above average management Curry County, Projected 2011.

	WHEAT	CORN FOR GRAIN
	BUSHEL	CWT
PRIMARY YIELD	75.00	105.00
PRIMARY PRICE	\$6.50	\$9.38
GOVERNMENT PAYMENTS	\$0.00	\$0.00
SECOND INCOME	\$40.00 ACRE	\$10.00 ACRE
GROSS RETURN	\$527.50	\$994.38
CASH OPERATING EXPENSES		
SEED	\$25.60	\$92.01
FERTILIZER	\$76.03	\$188.55
CHEMICALS	\$22.32	\$39.31
CROP INSURANCE	\$0.26	\$0.16
OTHER PURCHASED INPUTS		
CANAL WATER		
FUEL, OIL & LUBRICANTS-EQUIPMENT	\$18.82	\$22.74
FUEL-IRRIGATION	\$42.00	\$84.00
REPAIRS	\$7.16	\$8.51
CUSTOM CHARGES	\$20.76	\$38.90
LAND TAXES	\$0.79	\$0.79
OTHER EXPENSES	\$54.93	\$55.05
TOTAL CASH EXPENSES	\$268.67	\$530.03
RETURN OVER CASH EXPENSES	\$258.83	\$464.35
FIXED EXPENSES	\$30.61	\$41.00
TOTAL EXPENSES	\$299.29	\$571.03
NET FARM INCOME	\$228.21	\$423.35
LABOR AND MANAGEMENT COSTS	\$50.90	\$92.24
NET OPERATING PROFIT	\$177.31	\$331.11
CAPITAL COSTS		
INTEREST ON OPERATING CAPITAL	\$5.66	\$13.44
INTEREST ON EQUIPMENT INVESTMENT	\$15.00	\$20.86
TOTAL CAPITAL COSTS	\$20.66	\$34.30
RETURN TO LAND AND RISK	\$156.65	\$296.80

Flex Computation

202.27

358.66

TABLE 9. Whole farm summary, Curry County,
Projected 2011.

GROSS RETURNS		
WHEAT	194 ACRES	
CROP		\$94,575
GRAZING		\$7,760
DIRECT PAYMENT		\$0
COUNTER CYCLICAL PAYMENT		\$0
CORN FOR GRAIN	306 ACRES	
CROP		\$301,219
GRAZING		\$3,060
DIRECT PAYMENT		\$0
COUNTER CYCLICAL PAYMENT		\$0
GROSS RETURN		<u>\$406,614</u>
CASH OPERATING EXPENSES		
SEED		\$33,122
FERTILIZER		\$72,446
CHEMICALS		\$16,359
CROP INSURANCE		\$100
OTHER PURCHASED INPUTS		\$0
CANAL WATER		\$0
FUEL, OIL & LUBRICANTS-EQUIPMENT		\$10,608
FUEL-IRRIGATION		\$33,853
REPAIRS		\$3,992
CUSTOM CHARGES		\$15,931
LAND TAXES		\$396
OTHER EXPENSES		\$27,503
TOTAL CASH EXPENSES		<u>\$214,311</u>
RETURN OVER CASH EXPENSES		\$192,302
FIXED EXPENSES		\$18,485
TOTAL EXPENSES		\$232,796
NET FARM INCOME		\$173,818
LABOR AND MANAGEMENT COSTS		\$38,100
NET OPERATING PROFIT		\$135,718
CAPITAL COSTS		
INTEREST ON OPERATING CAPITAL		\$5,212
INTEREST ON EQUIPMENT INVESTMENT		\$9,294
TOTAL CAPITAL COSTS		<u>\$14,506</u>
RETURN TO LAND AND RISK		<u><u>\$121,212</u></u>

LAND VALUE	RETURN TO RISK*	RETURN ON INVESTMENT**
\$500 /ACRE	\$111,612	29.82%
\$1,000 /ACRE	\$102,012	17.51%
\$1,500 /ACRE	\$92,412	12.39%
\$2,000 /ACRE	\$82,812	9.59%
\$2,500 /ACRE	\$73,212	7.82%

* 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)