

TABLE 1. Acreage Summary, Curry County,
Projected 2014

BUDGET AREA.....	CURRY COUNTY		
FARM SIZE.....	640 ACRES		
IRRIGATION TYPE.....	SPRINKLER		
NUMBER OF CROPS....	2		
	WATER USE		
		AC. IN.	TOTAL
ACREAGE SUMMARY:		PER ACRE	AC. IN.
WHEAT	255	10	2,550
ARP	0		
FLEX IN WHEAT	45	10	450
GRAIN SORGHUM	170	16	2,720
ARP	0		
FLEX IN WHEAT	30	10	300
CORNERS, ROADS, HOMESTEAD	140		
TOTAL	640		6,020
ACRE FEET PER ACRE OF WATER RIGHTS			0.78

TABLE 2. Basic cost information for Curry County,
Projected 2014

Item			
Labor Wage Rate:			
Equipment operators	\$/hour		\$7.75
General Irrigators	\$/hour		\$7.50
Purchased Inputs:			
Fertilizer:			
Nitrogen (N)	\$/pound		\$0.50
Phosphate (P205)	\$/pound		\$0.40
Seed:			
Grain Sorghum	\$/pound		\$1.31
Wheat	\$/pound		\$0.45
Diesel fuel	\$/gallon		\$4.00
Gasoline	\$/gallon		\$3.50
Electricity (SWPS)	cents/KwH		7.74
LP gas	\$/gallon		\$2.75
Natural gas (Gas NM)	\$/MCF		\$4.00
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		5.50%
Land Interest Rate	percent		5.00%
Equipment Interest Rate	percent		5.50%
Real Interest Rate	percent		3.00%
Land Taxes	\$109.00 /acre (full value)		\$109.00
Personal Property Tax Rate	- NR	\$/\$1,000	(Assessed Value) \$21.70
	- R		\$20.34
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 2014

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	@	\$0.500 per mile
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 Planted 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 2014
 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 BUSHEL	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)	\$0.09	460 LBS	\$41.40		\$41.40
NITROGEN (N)	\$0.50	18 LBS	\$9.00		\$9.00
PHOSPHATE (P205)	\$0.40	46 LBS	\$18.40		\$18.40
INSECTICIDE (CUSTOM)	\$10.00	1 ACRE	\$10.00		\$10.00
HERBICIDE (CUSTOM)	\$11.17	1 ACRE	\$11.17		\$11.17
PUMP WATER*		10 AC. IN.			
CROP INSURANCE	\$0.15		\$0.15		\$0.15
SUBTOTAL			\$126.12		\$126.12

PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
CHISEL	185 HP	0.15 HR		\$1.16	\$6.22	\$1.16	\$4.38	\$12.92
DISC (3X)	185 HP	0.33 HR		\$2.56	\$13.67	\$4.94	\$10.73	\$31.90
FERT S SPREADER	140 HP	0.05 HR		\$0.39	\$1.56	\$0.22	\$2.14	\$4.31
DRILL	140 HP	0.13 HR		\$1.01	\$4.06	\$0.79	\$7.83	\$13.69
IRRIGATE (7X)		0.70 HR		\$5.25	\$47.91	\$0.00	\$5.59	\$58.75
SUBTOTAL		1.36 HR		\$10.37	\$73.42	\$7.10	\$30.68	\$121.56

HARVEST OPERATIONS								
COMBINE (CUSTOM)			\$24.55					\$24.55
HAUL (C (CUSTOM)			\$12.00					\$12.00
SUBTOTAL			\$36.55					\$36.55

OVERHEAD EXPENSES								
DOWNTIME		0.17 HR		\$1.28				\$1.28
EMPLOYEE BENEFITS				\$1.87				\$1.87
INSURANCE			\$0.21				\$0.21	\$0.21
LAND TAXES							\$109.00	\$109.00
SUPERVISION AND MANAGEMENT				\$40.51				\$40.51
OTHER EXPENSES			\$54.73					\$54.73
SUBTOTAL		0.17 HR	\$54.94	\$43.65			\$109.00	\$207.59

TOTAL OPERATING EXPENSES		1.53 HR	\$217.61	\$54.01	\$73.42	\$7.10	\$139.68	\$491.82
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NET OPERATING PROFIT								\$73.18
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INTEREST ON OPERATING CAPITAL		(\$86.24	@	5.50%)		\$4.74
INTEREST ON EQUIPMENT INVESTMENT								\$12.12

RETURN TO LAND AND RISK								\$56.32
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* Pump water costs are shown under irrigation in the preharvest operations section.

BUDGET SUMMARY

GROSS RETURN		\$565.00	
VARIABLE OPERATING EXPENSES	\$298.13		
RETURN OVER VARIABLE EXPENSES	\$266.87	(GROSS MARGIN)	
FIXED EXPENSES	\$139.68		
NET FARM INCOME	\$127.19	(RETURN TO CAPITAL, LABOR, LAND & RISK)	
LABOR AND MANAGEMENT COST	\$54.01		
NET OPERATING PROFIT	\$73.18	(RETURN TO CAPITAL, LAND & RISK)	
CAPITAL COSTS	\$16.86		
RETURN TO LAND AND RISK		\$56.32	

TABLE 7. Grain sorghum, sprinkler-irrigated, budgeted per acre costs and returns for a 640 acre farm with above average management, Curry County, Projected 2014
 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
LIQUID FERT (28-0-0)	\$0.09	500 LBS	\$45.00		\$45.00
NITROGEN (N)	\$0.50	25 LBS	\$12.50		\$12.50
PHOSPHATE (P205)	\$0.40	50 LBS	\$20.00		\$20.00
HERBICIDE (CUSTOM)	\$11.57	1 X/ACRE	\$11.57		\$11.57
INSECTICIDE (CUSTOM)	\$5.68	1 X/ACRE	\$5.68		\$5.68
TRACE ELEMENTS	\$16.00	1 ACRE	\$16.00		\$16.00
PUMP WATER*		16 AC. IN.			
CROP INSURANCE	\$0.29		\$0.29		\$0.29
SUBTOTAL			\$117.60		\$117.60

PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
DISC	185 HP	0.11 HR		\$0.85	\$4.56	\$1.65	\$3.58	\$10.63
CHISEL	185 HP	0.15 HR		\$1.16	\$6.22	\$1.16	\$4.38	\$12.92
DISC (2X)	185 HP	0.22 HR		\$1.71	\$9.12	\$3.29	\$7.15	\$21.26
FERT SPREADER	140 HP	0.05 HR		\$0.39	\$1.56	\$0.22	\$2.14	\$4.31
ROD WEEDER	185 HP	0.08 HR		\$0.62	\$3.31	\$0.51	\$2.61	\$7.06
PLANT ER	140 HP	0.17 HR		\$1.32	\$5.31	\$1.09	\$12.47	\$20.19
CULTIVATOR	140 HP	0.13 HR		\$1.01	\$4.06	\$1.05	\$8.05	\$14.17
IRRIGATE (10X)		1.00 HR		\$7.50	\$76.65	\$0.00	\$8.94	\$93.10
SUBTOTAL		1.91 HR		\$14.55	\$110.80	\$8.96	\$49.33	\$183.63

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

OVERHEAD EXPENSES				
DOWNTIME		0.22 HR	\$1.67	\$1.67
EMPLOYEE BENEFITS			\$2.62	\$2.62
INSURANCE			\$0.29	\$0.29
LAND TAXES				\$109.00
SUPERVISION AND MANAGEMENT			\$34.23	\$34.23
OTHER EXPENSES			\$54.73	\$54.73
SUBTOTAL		0.22 HR	\$55.02	\$202.53

TOTAL OPERATING EXPENSES		2.13 HR	\$213.40	\$53.07	\$110.80	\$8.96	\$158.33	\$544.55
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NET OPERATING PROFIT								(\$76.37)
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INTEREST ON OPERATING CAPITAL	(\$92.14	@	5.50%)			\$5.07
INTEREST ON EQUIPMENT INVESTMENT								\$19.29

RETURN TO LAND AND RISK								(\$100.72)
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* Pump water costs are shown under irrigation in the preharvest operations section.

BUDGET SUMMARY

GROSS RETURN		\$468.18	
VARIABLE OPERATING EXPENSES	\$333.16		
RETURN OVER VARIABLE EXPENSES		\$135.02	(GROSS MARGIN)
FIXED EXPENSES	\$158.33		
NET FARM INCOME		(\$23.30)	(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$53.07		
NET OPERATING PROFIT		(\$76.37)	(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$24.35		
RETURN TO LAND AND RISK		(\$100.72)	

TABLE 8. Summary of per acre costs and returns for a 640 acre farm with above average management, Curry County, Projected 2014

	WHEAT	GRAIN SORGHUM
	BUSHEL	CWT
PRIMARY YIELD	75.00	65.00
PRIMARY PRICE	\$7.00	\$7.06
GOVERNMENT PAYMENTS	\$0.00	\$0.00
SECOND INCOME	\$40.00 ACRE	\$9.00 ACRE
GROSS RETURN	\$565.00	\$468.18
CASH OPERATING EXPENSES		
SEED	\$36.00	\$6.55
FERTILIZER	\$68.80	\$93.50
CHEMICALS	\$21.17	\$17.25
CROP INSURANCE	\$0.15	\$0.29
OTHER PURCHASED INPUTS		
CANAL WATER		
FUEL, OIL & LUBRICANTS-EQUIPMENT	\$25.52	\$34.14
FUEL-IRRIGATION	\$47.91	\$76.65
REPAIRS	\$7.10	\$8.96
CUSTOM CHARGES	\$36.55	\$40.78
LAND TAXES	\$109.00	\$109.00
OTHER EXPENSES	\$54.94	\$55.02
TOTAL CASH EXPENSES	\$407.13	\$442.16
RETURN OVER CASH EXPENSES	\$157.87	\$26.02
FIXED EXPENSES	\$30.68	\$49.33
TOTAL EXPENSES	\$437.81	\$491.48
NET FARM INCOME	\$127.19	(\$23.30)
LABOR AND MANAGEMENT COSTS	\$54.01	\$53.07
NET OPERATING PROFIT	\$73.18	(\$76.37)
CAPITAL COSTS		
INTEREST ON OPERATING CAPITAL	\$4.74	\$5.07
INTEREST ON EQUIPMENT INVESTMENT	\$12.12	\$19.29
TOTAL CAPITAL COSTS	\$16.86	\$24.35
RETURN TO LAND AND RISK	\$56.32	(\$100.72)
Flex Computation	99.11	-32.11

TABLE 9. Whole farm summary, Curry County,
Projected 2014

GROSS RETURNS		
WHEAT	255 ACRES	
CROP		\$133,875
GRAZING		\$10,200
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>\$223,665</u>
CASH OPERATING EXPENSES		
SEED		\$12,994
FERTILIZER		\$38,599
CHEMICALS		\$9,920
CROP INSURANCE		\$100
OTHER PURCHASED INPUTS		\$0
CANAL WATER		\$0
FUEL, OIL & LUBRICANTS-EQUIPMENT		\$14,224
FUEL-IRRIGATION		\$28,841
REPAIRS		\$3,865
CUSTOM CHARGES		\$18,995
LAND TAXES		\$54,500
OTHER EXPENSES		\$27,482
TOTAL CASH EXPENSES		<u>\$209,519</u>
RETURN OVER CASH EXPENSES		\$14,146
FIXED EXPENSES		\$18,509
TOTAL EXPENSES		\$228,028
NET FARM INCOME		(\$4,363)
LABOR AND MANAGEMENT COSTS		\$26,846
NET OPERATING PROFIT		(\$31,209)
CAPITAL COSTS		
INTEREST ON OPERATING CAPITAL		\$2,427
INTEREST ON EQUIPMENT INVESTMENT		\$7,277
TOTAL CAPITAL COSTS		<u>\$9,704</u>
RETURN TO LAND AND RISK		<u>(\$40,913)</u>

LAND VALUE	RETURN TO RISK*	RETURN ON INVESTMENT**
\$500 /ACRE	(\$50,513)	-6.93%
\$1,000 /ACRE	(\$60,113)	-4.05%
\$1,500 /ACRE	(\$69,713)	-2.86%
\$2,000 /ACRE	(\$79,313)	-2.21%
\$2,500 /ACRE	(\$88,913)	-1.80%

* 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)