

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		
	WATER USE		
		AC. IN. PER ACRE	TOTAL AC. IN.
ACREAGE SUMMARY:			
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 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:			
Grain Sorghum	\$/pound		\$1.78
Wheat	\$/pound		\$0.32
Diesel fuel	\$/gallon		\$2.95
Gasoline	\$/gallon		\$3.05
Electricity (SWPS)	cents/KwH		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)		\$109.00
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	@	\$0.500 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 4. Pumps costs and data for Curry County, Projected 2011.

INPUT DATA		DEPTH CHARACTERISTICS	
DELIVERY PSI:		STATIC	300
SPRINKLER	40	DRAW DOWN	35
		TOTAL HEAD	335
		CASING	350
GALLONS PER MINUTE (GPM)	550		
WORK HORSEPOWER	59		
EFFICIENCY FACTOR:			
ELECTRICITY	0.592		
NATURAL GAS	0.156		
LP GAS	0.156		
DIESEL	0.160		
FUEL COST PER UNIT:			
ELECTRICITY	6.78	CENTS/KWH	
NATURAL GAS	\$3.75	\$/MCF	
LP GAS	\$2.45	\$/GAL	
DIESEL	\$2.95	\$/GAL	
FUEL PUMPING COST			
ELECTRIC WELL:			
COST PER HOUR	\$5.10		
COST PER ACRE INCH	\$4.20		
NATURAL GAS WELL:			
COST PER HOUR	\$4.01		
COST PER ACRE INCH	\$3.30		
LP GAS WELL:			
COST PER HOUR	\$25.86		
COST PER ACRE INCH	\$21.28		
DIESEL WELL:			
COST PER HOUR	\$19.70		
COST PER ACRE INCH	\$16.21		

TABLE 5. Equipment summary for a 640 acre sprinkler-irrigated wheat/sorghum farm with above average management, Curry County, Projected 2011.

EQUIPMENT	ANNUAL HOURS OF USE	NUMBER	VARIABLE COSTS				FIXED COSTS			
			TOTAL VALUE	FUEL OIL LUBRICANT	REPAIR PER HR	FUEL OIL PER HR	DEPRECIATION	TAXES	TOTAL PER HR	
TRACTOR 140 HP	119	1	\$43,209	\$2,741	\$17	\$23.05	\$4.32	\$4,834	\$264	\$42.89
TRACTOR 185 HP	254	1	\$43,287	\$7,750	\$1,467	\$30.56	\$5.79	\$6,428	\$350	\$29.73
DISC 18 FT OFFSE	165	1	\$7,500	\$1,255		\$9.30		\$1,000	\$55	\$6.39
DRILL 20 FT	43	1	\$3,800	\$74		\$7.73		\$720	\$26	\$17.39
FERT SPREADER/DEALER FURNISH	25	1	\$1,650	\$153		\$2.05		\$220	\$12	\$3.09
CHISEL 9 FT	22	1	\$3,000	\$62		\$3.72		\$400	\$22	\$19.09
CULTIVATOR 6 ROW	29	1	\$4,250	\$59		\$2.64		\$850	\$31	\$30.46
ROD WEEDER 6 ROW	14	1	\$625	\$11		\$0.78		\$83	\$5	\$6.46
TRACTOR PUMP	4,954	1	\$600			\$1.00		\$2	\$2	\$0.02
SPRINKLER	4,954	1	\$15,000	\$25,285		\$5.10		\$2,000	\$109	\$0.43
ELECTRIC WELL	4,954	1	\$15,000					\$1,040	\$95	\$0.23
<b>TOTAL</b>			<b>\$136,750</b>	<b>\$35,776</b>	<b>\$3,838</b>			<b>\$17,666</b>	<b>\$970</b>	

EQUIPMENT LIST

ITEM	NEW VALUE	USED VALUE	YEARS LIFE	EQUIP CODE	MAX HOURS	FUEL LINTHR	LUBE COST	ACCUH HOURS	INTEREST EXPENSE
TRACTOR 140 HP	72,515	43,209	15	1	800	7.10	0.10	154570	13 2,538.03
TRACTOR 185 HP	96,420	43,287	15	1	800	9.42	0.10	2789.60	11 3,374.70
DISC 18 FT OFFSE	15,000	7,500	15	3	300			2640.00	16 525.00
DRILL 20 FT	7,000	3,800	10	8	100			557.70	13 252.00
FERT SPREADER/DEALER FURNISHED					300				0.00
CHISEL 9 FT	3,300	1,650	15	3	300		1125.00	15 115.50	0.00
CULTIVATOR 6 ROW	6,000	3,000	15	3	300		353.60	16 210.00	0.00
PLANTER 6 ROW	8,500	4,250	10	8	100		375.70	13 207.50	0.15
ROD WEEDER 23 FT	1,250	625	15	3	300		204.00	15 43.75	0.08
TRACTOR PUMP	600	600	5	0	8,742		4636.48	10 21.00	8.23 13.17 21.39
SPRINKLER Center Pivot	30,000	15,000	15	0	8,742		74303.22	15 1,050.00	8.23 13.17 21.39
ELECTRIC WELL	26,000	13,000	25	0	8,742		74303.22	15 910.00	8.23 13.17 21.39

USAGE LIST

WHEAT	MILG	PER ACRE TOTALS							
---Hours per acre---									
CHISEL	185 HP	1.00 0.15 0.15							
DISC (3X)	185 HP	3.00 0.11 0.33							
FERT SPREADER	140 HP	1.00 0.05 0.05							
DRILL	185 HP	1.00 0.13 0.13							
IRRIGATE (7X)		7.00 0.82 8.23							
COMBINE (CUSTOM) BASE RATE 16.00									
EXTRA CHARGE PER BUSHEL OVER 0.19									
HAUL (CUSTOM) PER BUSHEL 0.16									
MILG ACRES: 170 PUMP WATER: 16.00									
---ACCOMPLISHMENT---									
MACHINE	POWER LINT	TIMES OVER	RATE	TOTAL	CUSTOM				
DISC	185 HP	1.00	0.11	0.11					
CHISEL	185 HP	1.00	0.15	0.15					
DISC (3X)	185 HP	3.00	0.11	0.33					
FERT SPREADER	140 HP	1.00	0.05	0.05					
DRILL	185 HP	1.00	0.13	0.13					
IRRIGATE (7X)		7.00	0.82	8.23					
COMBINE (CUSTOM) PER ACRE 20.50									
EXTRA CHARGE PER CWT OVER 0.28									
HAUL (CUSTOM) PER CWT 0.19									
ANNUAL REPAIR COSTS AS A PERCENT OF NEW VALUE									
Hours of Use	1	2	3	4	5	6	7	8	9
0	0.000080	0.000020	0.000020	0.000020	0.000080	0.000140	0.000240	0.000240	0.000200
50	0.000080	0.000020	0.000020	0.000020	0.000080	0.000140	0.000240	0.000240	0.000200
100	0.000080	0.000020	0.000020	0.000020	0.000080	0.000140	0.000240	0.000240	0.000200
200	0.000030	0.000030	0.000040	0.000040	0.000160	0.000280	0.000310	0.000260	0.000260
300	0.000030	0.000050	0.000090	0.000060	0.000230	0.000310	0.000430	0.000630	0.000440
400	0.000030	0.000060	0.000170	0.000090	0.000260	0.000340	0.000500	0.000710	0.000440
500	0.000030	0.000070	0.000260	0.000130	0.000280	0.000370	0.000510	0.000690	0.000530
600	0.000030	0.000090	0.000340	0.000120	0.000310	0.000390	0.000510	0.000680	0.000530
700	0.000030	0.000100	0.000320	0.000150	0.000350	0.000430	0.000520	0.000690	0.000560
800	0.000030	0.000110	0.000320	0.000150	0.000350	0.000430	0.000520	0.000690	0.000560
900	0.000030	0.000120	0.000320	0.000160	0.000370	0.000450	0.000520	0.000690	0.000560
1000	0.000030	0.000130	0.000310	0.000180	0.000380	0.000460	0.000520	0.000690	0.000560
1200	0.000045	0.000145	0.000300	0.000200	0.000420	0.000480	0.000520	0.000690	0.000560
1400	0.000045	0.000170	0.000300	0.000230	0.000435	0.000490	0.000510	0.000690	0.000560
1500	0.000050	0.000170	0.000300	0.000230	0.000435	0.000490	0.000510	0.000690	0.000560
1600	0.000050	0.000190	0.000285	0.000255	0.000465	0.000525	0.000535	0.000690	0.000560
1800	0.000070	0.000170	0.000285	0.000285	0.000465	0.000525	0.000535	0.000690	0.000560
2000	0.000110	0.000285	0.000280	0.000305	0.000555	0.000585	0.000610	0.000690	0.000560
2500	0.000090								
3000	0.000070								
3500	0.000060								
4000	0.000090								
4500	0.000100								
5000	0.000120								
5500	0.000130								
6000	0.000140								
6500	0.000160								
7000	0.000170								
7500	0.000180								
8000	0.000040								

WHEAT ACRES: 330 PUMP WATER: 10.00

---ACCOMPLISHMENT---

MACHINE POWER LINT TIMES OVER RATE TOTAL CUSTOM

CHISEL 185 HP 1.00 0.15 0.15

DISC (3X) 185 HP 3.00 0.11 0.33

FERT SPREADER 140 HP 1.00 0.05 0.05

DRILL 185 HP 1.00 0.13 0.13

IRRIGATE (7X) 7.00 0.82 8.23

COMBINE (CUSTOM) PER ACRE 20.50

EXTRA CHARGE PER CWT OVER 0.28

HAUL (CUSTOM) PER CWT 0.19

MILG ACRES: 170 PUMP WATER: 16.00

---ACCOMPLISHMENT---

MACHINE POWER LINT TIMES OVER RATE TOTAL CUSTOM

DISC 185 HP 1.00 0.11 0.11

CHISEL 185 HP 1.00 0.15 0.15

DISC (3X) 185 HP 3.00 0.11 0.33

FERT SPREADER 140 HP 1.00 0.05 0.05

ROD WEEDER 185 HP 1.00 0.08 0.08

PLANTER 140 HP 1.00 0.17 0.17

CULTIVATOR 185 HP 1.00 0.13 0.13

IRRIGATE (10X) 10.00 0.82 13.17

COMBINE (CUSTOM) PER ACRE 20.50

EXTRA CHARGE PER CWT OVER 0.28

HAUL (CUSTOM) PER CWT 0.19

ANNUAL REPAIR COSTS AS A PERCENT OF NEW VALUE

Hours of Use 1 2 3 4 5 6 7 8 9

0 0.000080 0.000020 0.000020 0.000020 0.000080 0.000140 0.000240 0.000240 0.000200

50 0.000080 0.000020 0.000020 0.000020 0.000080 0.000140 0.000240 0.000240 0.000200

100 0.000080 0.000020 0.000020 0.000020 0.000080 0.000140 0.000240 0.000240 0.000200

200 0.000030 0.000030 0.000040 0.000040 0.000160 0.000280 0.000310 0.000260 0.000260

300 0.000030 0.000050 0.000090 0.000060 0.000230 0.000310 0.000430 0.000630 0.000440

400 0.000030 0.000060 0.000170 0.000090 0.000260 0.000340 0.000500 0.000710 0.000440

500 0.000030 0.000070 0.000260 0.000130 0.000280 0.000370 0.000510 0.000690 0.000530

600 0.000030 0.000090 0.000340 0.000120 0.000310 0.000390 0.000510 0.000680 0.000530

700 0.000030 0.000100 0.000320 0.000150 0.000350 0.000430 0.000520 0.000690 0.000560

800 0.000030 0.000110 0.000320 0.000150 0.000350 0.000430 0.000520 0.000690 0.000560

900 0.000030 0.000120 0.000320 0.000160 0.000370 0.000450 0.000520 0.000690 0.000560

1000 0.000030 0.000130 0.000310 0.000180 0.000380 0.000460 0.000520 0.000690 0.000560

1200 0.000045 0.000145 0.000300 0.000200 0.000420 0.000480 0.000520 0.000690 0.000560

1400 0.000045 0.000170 0.000300 0.000230 0.000435 0.000490 0.000510 0.000690 0.000560

1500 0.000050 0.000170 0.000300 0.000230 0.000435 0.000490 0.000510 0.000690 0.000560

1600 0.000050 0.000190 0.000285 0.000255 0.000465 0.000525 0.000535 0.000690 0.000560

1800 0.000070 0.000170 0.000285 0.000285 0.000465 0.000525 0.000535 0.000690 0.000560

2000 0.000110 0.000285 0.000280 0.000305 0.000555 0.000585 0.000610 0.000690 0.000560

2500 0.000090

3000 0.000070

3500 0.000060

4000 0.000090

4500 0.000100

5000 0.000120

5500 0.000130

6000 0.000140

6500 0.000160

7000 0.000170

7500 0.000180

8000 0.000040

Based on unpublished data of D. R. Hunt, Department of Agricultural Engineering, University of Illinois.

Based on "Agricultural Machinery Data" in Agricultural Engineers Yearbook, 1983.

- Codes
- 1 tractors
  - 2 balers, combines, forage harvesters, windrowers, pickups
  - 3 rotary hoes, disk, moldboard plows, chisels, field cultivators row cultivators, leaf blower
  - 4 harrows, wagons, flats, rito buck, drag, roller, water furrow, bed shaper
  - 5 baler/wagons, cotton pickers, cotton strippers, corn dickers corn heads, forage equipment, rotary mowers, disk choppers, head wagons, farm trucks
  - 6 disk, cultural mower
  - 7 baler w/ engine, manure spreader
  - 8 planters, drills, seeding equipment, mounted sprayers
  - 9 fertilizer distribution equipment

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
<b>GROSS RETURNS</b>								
WHEAT	\$6.50	75.00 BUSHELS						\$487.50
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
<b>TOTAL</b>								<b>\$527.50</b>
<b>PURCHASED INPUTS</b>								
	PRICE	QUANTITY	PURCHASED INPUTS					TOTAL
SEED	\$0.32	80 LBS	\$25.60					\$25.60
LIQUID FERT (28-0-0)	\$0.09	460 LBS	\$41.40					\$41.40
NITROGEN (N)	\$0.71	18 LBS	\$12.78					\$12.78
PHOSPHATE (P205)	\$0.65	46 LBS	\$29.90					\$29.90
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
<b>SUBTOTAL</b>			<b>\$131.00</b>					<b>\$131.00</b>
<b>PREHARVEST OPERATIONS</b>								
	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	\$4.47	\$11.35
DISC (3X)	185 HP	0.33 HR		\$2.46	\$10.08	\$4.98	\$10.93	\$28.45
FERT S SPREADER	140 HP	0.05 HR		\$0.37	\$1.15	\$0.22	\$2.14	\$3.89
DRILL	140 HP	0.13 HR		\$0.97	\$3.00	\$0.79	\$7.83	\$12.59
IRRIGATE (7X)		0.70 HR		\$5.08	\$42.00	\$0.00	\$5.59	\$52.67
<b>SUBTOTAL</b>		<b>1.36 HR</b>		<b>\$9.99</b>	<b>\$60.82</b>	<b>\$7.16</b>	<b>\$30.97</b>	<b>\$108.94</b>
<b>HARVEST OPERATIONS</b>								
COMBINE (CUSTOM)			\$24.55					\$24.55
HAUL (C (CUSTOM)			\$12.00					\$12.00
<b>SUBTOTAL</b>			<b>\$36.55</b>					<b>\$36.55</b>
<b>OVERHEAD EXPENSES</b>								
DOWNTIME		0.17 HR		\$1.23				\$1.23
EMPLOYEE BENEFITS				\$1.80				\$1.80
INSURANCE			\$0.20				\$0.20	\$0.20
LAND TAXES							\$109.00	\$109.00
SUPERVISION AND MANAGEMENT				\$37.88				\$37.88
OTHER EXPENSES			\$54.73					\$54.73
<b>SUBTOTAL</b>		<b>0.17 HR</b>	<b>\$54.93</b>	<b>\$40.91</b>			<b>\$109.00</b>	<b>\$204.84</b>
<b>TOTAL OPERATING EXPENSES</b>		<b>1.53 HR</b>	<b>\$222.48</b>	<b>\$50.90</b>	<b>\$60.82</b>	<b>\$7.16</b>	<b>\$139.97</b>	<b>\$481.33</b>
<b>NET OPERATING PROFIT</b>								<b>\$46.17</b>
INTEREST ON OPERATING CAPITAL		( \$85.54 @	7.00%	)				\$5.99
INTEREST ON EQUIPMENT INVESTMENT								\$15.57
<b>RETURN TO LAND AND RISK</b>								<b>\$24.61</b>

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

**BUDGET SUMMARY**

GROSS RETURN		\$527.50	
VARIABLE OPERATING EXPENSES	\$290.46		
RETURN OVER VARIABLE EXPENSES	\$237.04		(GROSS MARGIN)
FIXED EXPENSES	\$139.97		
NET FARM INCOME	\$97.07		(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$50.90		
NET OPERATING PROFIT	\$46.17		(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$21.55		
<b>RETURN TO LAND AND RISK</b>		<b>\$24.61</b>	

TABLE 7. Grain sorghum, sprinkler-irrigated, budgeted per acre costs and returns for a 640 acre farm with above average management, Curry County, Projected 2011.  
Planting Dates: May 15 - June 15  
Harvesting Dates: October 15 - November 15

ITEM	PRICE	YIELD	BASE	TOTAL
<b>GROSS RETURNS</b>				
GRAIN SORGHUM	\$8.63	65.00 CWT		\$560.63
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
<b>TOTAL</b>				<b>\$569.63</b>

PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS	FIXED COST	TOTAL
SEED	\$1.78	5 LBS	\$8.90		\$8.90
LIQUID FERT (28-0-0)	\$0.09	500 LBS	\$45.00		\$45.00
NITROGEN (N)	\$0.71	25 LBS	\$17.75		\$17.75
PHOSPHATE (P205)	\$0.65	50 LBS	\$32.50		\$32.50
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
<b>SUBTOTAL</b>			<b>\$137.70</b>		<b>\$137.70</b>

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	\$3.64	\$9.48
CHISEL	185 HP	0.15 HR		\$1.12	\$4.58	\$1.17	\$4.47	\$11.35
DISC (2X)	185 HP	0.22 HR		\$1.64	\$6.72	\$3.32	\$7.29	\$18.97
FERT SPREADER	140 HP	0.05 HR		\$0.37	\$1.15	\$0.22	\$2.14	\$3.89
ROD WEEDER	185 HP	0.08 HR		\$0.60	\$2.44	\$0.52	\$2.66	\$6.22
PLANT ER	140 HP	0.17 HR		\$1.27	\$3.92	\$1.09	\$12.47	\$18.74
CULTIVATOR	140 HP	0.13 HR		\$0.97	\$3.00	\$1.05	\$8.06	\$13.07
IRRIGATE (10X)		1.00 HR		\$7.25	\$67.20	\$0.00	\$8.95	\$83.40
<b>SUBTOTAL</b>		<b>1.91 HR</b>		<b>\$14.03</b>	<b>\$92.38</b>	<b>\$9.03</b>	<b>\$49.67</b>	<b>\$165.12</b>

HARVEST OPERATIONS				
COMBINE (CUSTOM)			\$28.43	\$28.43
HAUL (CUSTOM)			\$12.35	\$12.35
<b>SUBTOTAL</b>			<b>\$40.78</b>	<b>\$40.78</b>

OVERHEAD EXPENSES				
DOWNTIME		0.22 HR	\$1.60	\$1.60
EMPLOYEE BENEFITS			\$2.53	\$2.53
INSURANCE			\$0.28	\$0.28
LAND TAXES				\$109.00
SUPERVISION AND MANAGEMENT			\$41.33	\$41.33
OTHER EXPENSES			\$54.73	\$54.73
<b>SUBTOTAL</b>		<b>0.22 HR</b>	<b>\$55.01</b>	<b>\$209.46</b>

<b>TOTAL OPERATING EXPENSES</b>		<b>2.13 HR</b>	<b>\$233.49</b>	<b>\$59.49</b>	<b>\$92.38</b>	<b>\$9.03</b>	<b>\$158.67</b>	<b>\$553.06</b>
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<b>NET OPERATING PROFIT</b>								<b>\$16.56</b>
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INTEREST ON OPERATING CAPITAL	(	\$97.60	@	7.00%	)			\$6.83
INTEREST ON EQUIPMENT INVESTMENT								\$24.71

<b>RETURN TO LAND AND RISK</b>								<b>(\$14.98)</b>
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\* Pump water costs are shown under irrigation in the preharvest operations section.

**BUDGET SUMMARY**

GROSS RETURN		\$569.63	
VARIABLE OPERATING EXPENSES	\$334.90		
RETURN OVER VARIABLE EXPENSES		\$234.72	(GROSS MARGIN)
FIXED EXPENSES	\$158.67		
NET FARM INCOME		\$76.05	(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$59.49		
NET OPERATING PROFIT		\$16.56	(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$31.54		
RETURN TO LAND AND RISK		(\$14.98)	

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

	WHEAT	GRAIN SORGHUM
	BUSHEL	CWT
PRIMARY YIELD	75.00	65.00
PRIMARY PRICE	\$6.50	\$8.63
GOVERNMENT PAYMENTS	\$0.00	\$0.00
SECOND INCOME	\$40.00 ACRE	\$9.00 ACRE
GROSS RETURN	\$527.50	\$569.63
CASH OPERATING EXPENSES		
SEED	\$25.60	\$8.90
FERTILIZER	\$84.08	\$111.25
CHEMICALS	\$21.17	\$17.25
CROP INSURANCE	\$0.15	\$0.29
OTHER PURCHASED INPUTS		
CANAL WATER		
FUEL, OIL & LUBRICANTS-EQUIPMENT	\$18.82	\$25.18
FUEL-IRRIGATION	\$42.00	\$67.20
REPAIRS	\$7.16	\$9.03
CUSTOM CHARGES	\$36.55	\$40.78
LAND TAXES	\$109.00	\$109.00
OTHER EXPENSES	\$54.93	\$55.01
TOTAL CASH EXPENSES	\$399.46	\$443.90
RETURN OVER CASH EXPENSES	\$128.04	\$125.72
FIXED EXPENSES	\$30.97	\$49.67
TOTAL EXPENSES	\$430.43	\$493.58
NET FARM INCOME	\$97.07	\$76.05
LABOR AND MANAGEMENT COSTS	\$50.90	\$59.49
NET OPERATING PROFIT	\$46.17	\$16.56
CAPITAL COSTS		
INTEREST ON OPERATING CAPITAL	\$5.99	\$6.83
INTEREST ON EQUIPMENT INVESTMENT	\$15.57	\$24.71
TOTAL CAPITAL COSTS	\$21.55	\$31.54
RETURN TO LAND AND RISK	\$24.61	(\$14.98)
Flex Computation	71.15	59.40

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

GROSS RETURNS		
WHEAT	255 ACRES	
CROP		\$124,313
GRAZING		\$10,200
DIRECT PAYMENT		\$0
COUNTER CYCLICAL PAYMENT		\$0
GRAIN SORGHUM	170 ACRES	
CROP		\$95,306
GRAZING		\$1,530
DIRECT PAYMENT		\$0
COUNTER CYCLICAL PAYMENT		\$0
GROSS RETURN		<u>\$231,349</u>
CASH OPERATING EXPENSES		
SEED		\$9,961
FERTILIZER		\$46,659
CHEMICALS		\$9,920
CROP INSURANCE		\$100
OTHER PURCHASED INPUTS		\$0
CANAL WATER		\$0
FUEL, OIL & LUBRICANTS-EQUIPMENT		\$10,491
FUEL-IRRIGATION		\$25,285
REPAIRS		\$3,898
CUSTOM CHARGES		\$18,995
LAND TAXES		\$54,500
OTHER EXPENSES		\$27,478
TOTAL CASH EXPENSES		<u>\$207,286</u>
RETURN OVER CASH EXPENSES		\$24,063
FIXED EXPENSES		\$18,665
TOTAL EXPENSES		\$225,951
NET FARM INCOME		\$5,398
LABOR AND MANAGEMENT COSTS		\$26,909
NET OPERATING PROFIT		(\$21,512)
CAPITAL COSTS		
INTEREST ON OPERATING CAPITAL		\$3,137
INTEREST ON EQUIPMENT INVESTMENT		\$9,337
TOTAL CAPITAL COSTS		<u>\$12,475</u>
RETURN TO LAND AND RISK		<u>(\$33,987)</u>

LAND VALUE	RETURN TO RISK*	RETURN ON INVESTMENT**
\$500 /ACRE	(\$43,587)	-4.72%
\$1,000 /ACRE	(\$53,187)	-2.77%
\$1,500 /ACRE	(\$62,787)	-1.96%
\$2,000 /ACRE	(\$72,387)	-1.52%
\$2,500 /ACRE	(\$81,987)	-1.24%

\* 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)