

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 BUSHEL		\$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)	\$0.45	18 LBS	\$8.10		\$8.10
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			\$125.22		\$125.22

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	\$4.38	\$12.14
DISC (3X)	185 HP	0.33 HR		\$2.56	\$11.96	\$4.94	\$10.73	\$30.19
FERT S/SPREADER	140 HP	0.05 HR		\$0.39	\$1.37	\$0.22	\$2.14	\$4.12
DRILL	140 HP	0.13 HR		\$1.01	\$3.56	\$0.79	\$7.83	\$13.19
IRRIGATE (7X)		0.70 HR		\$5.25	\$47.91	\$0.00	\$5.59	\$58.75
SUBTOTAL		1.36 HR		\$10.37	\$70.23	\$7.10	\$30.68	\$118.38

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
LAND TAXES						\$109.00		\$109.00
SUPERVISION AND MANAGEMENT				\$40.51				\$40.51
OTHER EXPENSES			\$56.54					\$56.54
SUBTOTAL		0.17 HR	\$56.74	\$43.65		\$109.00		\$209.39

TOTAL OPERATING EXPENSES		1.53 HR	\$218.52	\$54.01	\$70.23	\$7.10	\$139.68	\$489.54
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NET OPERATING PROFIT								\$75.46
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INTEREST ON OPERATING CAPITAL	(\$84.99	@	5.50%)			\$4.67
INTEREST ON EQUIPMENT INVESTMENT								\$12.12

RETURN TO LAND AND RISK								\$58.67
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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	\$295.85			
RETURN OVER VARIABLE EXPENSES		\$269.15	(GROSS MARGIN)	
FIXED EXPENSES	\$139.68			
NET FARM INCOME		\$129.47	(RETURN TO CAPITAL, LABOR, LAND & RISK)	
LABOR AND MANAGEMENT COST	\$54.01			
NET OPERATING PROFIT		\$75.46	(RETURN TO CAPITAL, LAND & RISK)	
CAPITAL COSTS	\$16.79			
RETURN TO LAND AND RISK		\$58.67		

TABLE 7. Grain sorghum, sprinkler-irrigated, budgeted per acre costs and returns for a 640 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
LIQUID FERT (28-0-0)	\$0.09	500 LBS	\$45.00		\$45.00
NITROGEN (N)	\$0.45	25 LBS	\$11.25		\$11.25
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			\$116.35		\$116.35

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	\$3.58	\$10.06
CHISEL	185 HP	0.15 HR		\$1.16	\$5.44	\$1.16	\$4.38	\$12.14
DISC (2X)	185 HP	0.22 HR		\$1.71	\$7.98	\$3.29	\$7.15	\$20.12
FERT SPREADER	140 HP	0.05 HR		\$0.39	\$1.37	\$0.22	\$2.14	\$4.12
ROD WEEDER	185 HP	0.08 HR		\$0.62	\$2.90	\$0.51	\$2.61	\$6.64
PLANT ER	140 HP	0.17 HR		\$1.32	\$4.65	\$1.09	\$12.47	\$19.52
CULTIVATOR	140 HP	0.13 HR		\$1.01	\$3.56	\$1.05	\$8.05	\$13.67
IRRIGATE (10X)		1.00 HR		\$7.50	\$76.65	\$0.00	\$8.94	\$93.10
SUBTOTAL		1.91 HR		\$14.55	\$106.53	\$8.96	\$49.33	\$179.37

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		\$109.00
SUPERVISION AND MANAGEMENT				\$34.23				\$34.23
OTHER EXPENSES			\$56.54					\$56.54
SUBTOTAL		0.22 HR		\$56.83	\$38.51		\$109.00	\$204.34

TOTAL OPERATING EXPENSES		2.13 HR		\$213.96	\$53.07	\$106.53	\$8.96	\$158.33	\$540.84
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NET OPERATING PROFIT									(\$72.66)
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INTEREST ON OPERATING CAPITAL	(\$90.44	@	5.50%)				\$4.97
INTEREST ON EQUIPMENT INVESTMENT									\$19.29

RETURN TO LAND AND RISK									(\$96.92)
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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	\$329.45			
RETURN OVER VARIABLE EXPENSES		\$138.73	(GROSS MARGIN)	
FIXED EXPENSES	\$158.33			
NET FARM INCOME		(\$19.59)	(RETURN TO CAPITAL, LABOR, LAND & RISK)	
LABOR AND MANAGEMENT COST	\$53.07			
NET OPERATING PROFIT		(\$72.66)	(RETURN TO CAPITAL, LAND & RISK)	
CAPITAL COSTS	\$24.26			
RETURN TO LAND AND RISK		(\$96.92)		

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

	WHEAT	GRAIN SORGHUM
	BUSHELS	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	\$67.90	\$92.25
CHEMICALS	\$21.17	\$17.25
CROP INSURANCE	\$0.15	\$0.29
OTHER PURCHASED INPUTS		
CANAL WATER		
FUEL, OIL & LUBRICANTS-EQUIPMENT	\$22.33	\$29.88
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	\$56.74	\$56.83
TOTAL CASH EXPENSES	\$404.85	\$438.45
RETURN OVER CASH EXPENSES	\$160.15	\$29.73
FIXED EXPENSES	\$30.68	\$49.33
TOTAL EXPENSES	\$435.53	\$487.77
NET FARM INCOME	\$129.47	(\$19.59)
LABOR AND MANAGEMENT COSTS	\$54.01	\$53.07
NET OPERATING PROFIT	\$75.46	(\$72.66)
CAPITAL COSTS		
INTEREST ON OPERATING CAPITAL	\$4.67	\$4.97
INTEREST ON EQUIPMENT INVESTMENT	\$12.12	\$19.29
TOTAL CAPITAL COSTS	\$16.79	\$24.26
RETURN TO LAND AND RISK	\$58.67	(\$96.92)
Flex Computation	101.46	-28.31

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

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		\$38,090																		
CHEMICALS		\$9,920																		
CROP INSURANCE		\$100																		
OTHER PURCHASED INPUTS		\$0																		
CANAL WATER		\$0																		
FUEL, OIL & LUBRICANTS-EQUIPMENT		\$12,446																		
FUEL-IRRIGATION		\$28,841																		
REPAIRS		\$3,865																		
CUSTOM CHARGES		\$18,995																		
LAND TAXES		\$54,500																		
OTHER EXPENSES		\$28,387																		
TOTAL CASH EXPENSES		<u>\$208,136</u>																		
RETURN OVER CASH EXPENSES		\$15,529																		
FIXED EXPENSES		\$18,509																		
TOTAL EXPENSES		\$226,645																		
NET FARM INCOME		(\$2,980)																		
LABOR AND MANAGEMENT COSTS		\$26,846																		
NET OPERATING PROFIT		(\$29,826)																		
CAPITAL COSTS																				
INTEREST ON OPERATING CAPITAL		\$2,388																		
INTEREST ON EQUIPMENT INVESTMENT		\$7,277																		
TOTAL CAPITAL COSTS		<u>\$9,666</u>																		
RETURN TO LAND AND RISK		<u>(\$39,492)</u>																		
<table border="1"> <thead> <tr> <th>LAND VALUE</th> <th>RETURN TO RISK*</th> <th>RETURN ON INVESTMENT**</th> </tr> </thead> <tbody> <tr> <td>\$500 /ACRE</td> <td>(\$49,092)</td> <td>-6.74%</td> </tr> <tr> <td>\$1,000 /ACRE</td> <td>(\$58,692)</td> <td>-3.91%</td> </tr> <tr> <td>\$1,500 /ACRE</td> <td>(\$68,292)</td> <td>-2.76%</td> </tr> <tr> <td>\$2,000 /ACRE</td> <td>(\$77,892)</td> <td>-2.13%</td> </tr> <tr> <td>\$2,500 /ACRE</td> <td>(\$87,492)</td> <td>-1.73%</td> </tr> </tbody> </table>			LAND VALUE	RETURN TO RISK*	RETURN ON INVESTMENT**	\$500 /ACRE	(\$49,092)	-6.74%	\$1,000 /ACRE	(\$58,692)	-3.91%	\$1,500 /ACRE	(\$68,292)	-2.76%	\$2,000 /ACRE	(\$77,892)	-2.13%	\$2,500 /ACRE	(\$87,492)	-1.73%
LAND VALUE	RETURN TO RISK*	RETURN ON INVESTMENT**																		
\$500 /ACRE	(\$49,092)	-6.74%																		
\$1,000 /ACRE	(\$58,692)	-3.91%																		
\$1,500 /ACRE	(\$68,292)	-2.76%																		
\$2,000 /ACRE	(\$77,892)	-2.13%																		
\$2,500 /ACRE	(\$87,492)	-1.73%																		

* 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)