

TABLE 5. Wheat, dryland, budgeted per acre costs and returns for a 1,600 acre farm with above average management, Curry County,
 Actual 2018
 Planting Dates: September 1 - October 15
 Harvesting Dates: June 15 - July 15

ITEM	PRICE	YIELD	Base						TOTAL
GROSS RETURNS									
WHEAT	\$4.75	33.00	BUSHEL						\$156.75
DIRECT PAYMENT	\$0.00	33.00	BUSHE	0.85					\$0.00
COUNTER CYCLICAL PAYMENT	\$0.00								\$0.00
GRAZING	\$12.00	1.00	ACRE						\$12.00
TOTAL									\$168.75
PURCHASED INPUTS									
	PRICE	QUANTITY	PURCHASED INPUTS					FIXED COST	TOTAL
SEED	\$0.37	30	LBS	\$11.10					\$11.10
HERBICIDE	\$7.05	1	ACRE	\$7.05					\$7.05
CROP INSURANCE	\$0.08			\$0.08					\$0.08
SUBTOTAL				\$18.23					\$18.23
PREHARVEST OPERATIONS									
	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL	
SWEEP (2X)	300 HP	0.10	HR	\$0.78	\$4.87	\$1.83	\$7.03	\$14.51	
ROD WEEDER	300 HP	0.05	HR	\$0.39	\$2.44	\$0.57	\$3.23	\$6.62	
DRILL	300 HP	0.05	HR	\$0.39	\$2.44	\$0.68	\$4.58	\$8.09	
SUBTOTAL		0.20	HR	\$1.55	\$9.75	\$3.08	\$14.85	\$29.23	
HARVEST OPERATIONS									
COMBINE (CUSTOM)				\$11.59				\$11.59	
HAUL (CUSTOM)				\$5.28				\$5.28	
SUBTOTAL				\$16.87				\$16.87	
OVERHEAD EXPENSES									
DOWNTIME		0.05	HR	\$0.39				\$0.39	
EMPLOYEE BENEFITS				\$0.28				\$0.28	
INSURANCE				\$0.03				\$0.03	
LAND TAXES							\$40.00	\$40.00	
SUPERVISION AND MANAGEMENT				\$12.01				\$12.01	
OTHER EXPENSES				\$22.26				\$22.26	
SUBTOTAL		0.05	HR	\$22.29	\$12.68		\$40.00	\$74.97	
TOTAL OPERATING EXPENSES		0.25	HR	\$57.39	\$14.23	\$9.75	\$3.08	\$54.85	\$139.30
NET OPERATING PROFIT									\$29.45
INTEREST ON OPERATING CAPITAL		(\$10.16	@	5.75%)			\$0.58
INTEREST ON EQUIPMENT INVESTMENT									\$5.87
RETURN TO LAND AND RISK									\$22.99
BUDGET SUMMARY									
GROSS RETURN				\$168.75					
VARIABLE OPERATING EXPENSES	\$70.22								
RETURN OVER VARIABLE EXPENSES		\$98.53	(GROSS MARGIN)						
FIXED EXPENSES	\$54.85								
NET FARM INCOME		\$43.68	(RETURN TO CAPITAL, LABOR, LAND & RISK)						
LABOR AND MANAGEMENT COST	\$14.23								
NET OPERATING PROFIT		\$29.45	(RETURN TO CAPITAL, LAND & RISK)						
CAPITAL COSTS	\$6.46								
RETURN TO LAND AND RISK		\$22.99							

TABLE 6. Grain sorghum, dryland, budgeted per acre costs and returns for a 1,600 acre farm with aboveaverage management, Curry County,
 Actual 2018
 Planting Dates: May 15 - June 20
 Harvesting Dates: October 15 - November 15

ITEM	PRICE	YIELD	BASE					TOTAL	
GROSS RETURNS									
GRAIN SORGHUM	\$6.65	18.00 CWT						\$119.70	
DIRECT PAYMENT	\$0.00	18.00 CWT	0.85					\$0.00	
COUNTER CYCLICAL PAYMENT	\$0.00	0.00 CWT						\$0.00	
GRAZING	\$4.00	1.00 ACRE						\$4.00	
TOTAL								\$123.70	
PURCHASED INPUTS									
PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS					FIXED COST	TOTAL
SEED	\$2.25	2 LBS	\$3.38					\$3.38	
ANHYDROUS	\$0.37	50 LBS	\$18.63					\$18.63	
HERBICIDE	\$13.22	1 X/ACRE	\$13.22					\$13.22	
INSECTICIDE	\$13.22	1 X/ACRE	\$13.22					\$13.22	
CROP INSURANCE	\$0.11		\$0.11					\$0.11	
SUBTOTAL			\$48.56					\$48.56	
PREHARVEST OPERATIONS									
PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL	
SWEEP (2X)	300 HP	0.10 HR		\$0.78	\$4.87	\$1.83	\$7.03	\$14.51	
ROD WEEDER	300 HP	0.05 HR		\$0.39	\$2.44	\$0.57	\$3.23	\$6.62	
ANHYDROUS APPL	155 HP	0.17 HR		\$1.32	\$4.65	\$0.91	\$5.91	\$12.79	
DRILL	155 HP	0.05 HR		\$0.39	\$1.37	\$0.45	\$3.25	\$5.46	
ROTARY HOE	155 HP	0.05 HR		\$0.39	\$1.37	\$0.39	\$2.33	\$4.47	
CULTIVATOR	155 HP	0.13 HR		\$1.01	\$3.56	\$1.50	\$6.08	\$12.14	
SUBTOTAL		0.55 HR		\$4.26	\$18.25	\$5.65	\$27.84	\$56.00	
HARVEST OPERATIONS									
COMBINE (CUSTOM)			\$9.67					\$9.67	
HAUL (CUSTOM)			\$3.42					\$3.42	
SUBTOTAL			\$13.09					\$13.09	
OVERHEAD EXPENSES									
DOWNTIME		0.10 HR		\$0.78				\$0.78	
EMPLOYEE BENEFITS				\$0.77				\$0.77	
INSURANCE			\$0.09					\$0.09	
LAND TAXES							\$40.00	\$40.00	
SUPERVISION AND MANAGEMENT				\$9.21				\$9.21	
OTHER EXPENSES			\$22.26					\$22.26	
SUBTOTAL		0.10 HR	\$22.34	\$10.75			\$40.00	\$73.10	
TOTAL OPERATING EXPENSES		0.65 HR	\$83.99	\$15.01	\$18.25	\$5.65	\$67.84	\$190.74	
NET OPERATING PROFIT								(\$67.04)	
INTEREST ON OPERATING CAPITAL		(\$31.34 @	5.75%)				\$1.80	
INTEREST ON EQUIPMENT INVESTMENT								\$11.19	
RETURN TO LAND AND RISK								(\$80.03)	

BUDGET SUMMARY			
GROSS RETURN		\$123.70	
VARIABLE OPERATING EXPENSES	\$107.89		
RETURN OVER VARIABLE EXPENSES		\$15.81	(GROSS MARGIN)
FIXED EXPENSES	\$67.84		
NET FARM INCOME		(\$52.03)	(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$15.01		
NET OPERATING PROFIT		(\$67.04)	(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$12.99		
RETURN TO LAND AND RISK		(\$80.03)	

TABLE 7. Summary of per acre costs and returns for a 1,600 acre farm with above average management, Curry County, Actual 2018

	WHEAT	GRAIN SORGHUM
	BUSHEL	CWT
PRIMARY YIELD	33.00	18.00
PRIMARY PRICE	\$4.75	\$6.65
GOVERNMENT PAYMENTS	\$0.00	\$0.00
SECOND INCOME	\$12.00 ACRE	\$4.00 ACRE
GROSS RETURN	\$168.75	\$123.70
CASH OPERATING EXPENSES		
SEED	\$11.10	\$3.38
FERTILIZER		\$18.63
CHEMICALS	\$7.05	\$26.44
CROP INSURANCE	\$0.08	\$0.11
OTHER PURCHASED INPUTS		
FUEL, OIL & LUBRICANTS-EQUIPMENT	\$9.75	\$18.25
REPAIRS	\$3.08	\$5.65
CUSTOM CHARGES	\$16.87	\$13.09
LAND TAXES	\$40.00	\$40.00
OTHER EXPENSES	\$22.29	\$22.34
TOTAL CASH EXPENSES	\$110.22	\$147.89
RETURN OVER CASH EXPENSES	\$58.53	(\$24.19)
FIXED EXPENSES	\$14.85	\$27.84
TOTAL EXPENSES	\$125.07	\$175.73
NET FARM INCOME	\$43.68	(\$52.03)
LABOR AND MANAGEMENT COSTS	\$14.23	\$15.01
NET OPERATING PROFIT	\$29.45	(\$67.04)
CAPITAL COSTS		
INTEREST ON OPERATING CAPITAL	\$0.58	\$1.80
INTEREST ON EQUIPMENT INVESTMENT	\$5.87	\$11.19
TOTAL CAPITAL COSTS	\$6.46	\$12.99
RETURN TO LAND AND RISK	\$22.99	(\$80.03)
Flex Computation	43.71	-41.00

TABLE 8. Whole farm summary, Curry County,
Actual 2018

GROSS RETURNS		
WHEAT	530 acres	
CROP		\$83,078
GRAZING		\$6,360
DIRECT PAYMENT		\$0
COUNTER CYCLICAL PAYMENT		\$0
GRAIN SORGHUM	530 acres	
CROP		\$63,441
GRAZING		\$2,120
DIRECT PAYMENT		\$0
COUNTER CYCLICAL PAYMENT		\$0
GROSS RETURN		<u>\$154,999</u>
CASH OPERATING EXPENSES		
SEED		\$8,286
FERTILIZER		\$8,391
CHEMICALS		\$16,212
CROP INSURANCE		\$100
OTHER PURCHASED INPUTS		\$0
FUEL, OIL & LUBRICANTS-EQUIPMENT		\$14,161
REPAIRS		\$4,424
CUSTOM CHARGES		\$16,179
LAND TAXES		\$42,400
OTHER EXPENSES		\$23,652
TOTAL CASH EXPENSES		<u>\$133,806</u>
RETURN OVER CASH EXPENSES		\$21,193
FIXED EXPENSES		\$21,590
TOTAL EXPENSES		\$155,395
NET FARM INCOME		(\$397)
LABOR AND MANAGEMENT COSTS		\$15,436
NET OPERATING PROFIT		(\$15,833)
CAPITAL COSTS		
INTEREST ON OPERATING CAPITAL		\$1,168
INTEREST ON EQUIPMENT INVESTMENT		\$8,619
TOTAL CAPITAL COSTS		<u>\$9,787</u>
RETURN TO LAND AND RISK		<u><u>(\$25,621)</u></u>

LAND VALUE	RETURN TO RISK*	RETURN ON INVESTMENT**
\$150 /ACRE	(\$32,821)	-4.17%
\$200 /ACRE	(\$35,221)	-3.45%
\$250 /ACRE	(\$37,621)	-2.94%
\$300 /ACRE	(\$40,021)	-2.56%

* 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)