

TABLE 6. Wheat, flood-irrigated, budgeted per acre costs and returns for a 520 acre farm with above average management, Curry County,
 Actual 2018
 Planting Dates: August 15 - September 15
 Harvesting Dates: June 15 - July 15

ITEM	PRICE	YIELD	BASE	TOTAL
GROSS RETURNS				
WHEAT	\$4.75	80.00 BUSHELS		\$380.00
DIRECT PAYMENT	\$0.00	80.00 BUSHEL	0.85	\$0.00
COUNTER CYCLICAL PAYMENT	\$0.00			\$0.00
GRAZING	\$40.00	1.00 ACRE		\$40.00
TOTAL				\$420.00

PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS	FIXED COST	TOTAL
SEED	\$0.37	60 LBS	\$22.20		\$22.20
ANHYDROUS AMMONIA (NH3)	\$0.37	100 LBS	\$37.25		\$37.25
NITROGEN (N)	\$0.42	18 LBS	\$7.56		\$7.56
PHOSPHORUS (P205)	\$0.49	46 LBS	\$22.54		\$22.54
INSECTICIDE (CUSTOM)	\$9.59	1 ACRE	\$9.59		\$9.59
HERBICIDE (CUSTOM)	\$10.69	1 ACRE	\$10.69		\$10.69
PUMP WATER*		15 AC. IN.			
CROP INSURANCE	\$0.15		\$0.15		\$0.15
SUBTOTAL			\$109.98		\$109.98

PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
DISC (3X)	185 HP	0.33 HR		\$2.56	\$10.43	\$5.54	\$12.50	\$31.01
ANHYDROUS APPL	185 HP	0.17 HR		\$1.32	\$5.37	\$0.95	\$4.63	\$12.27
LISTER	185 HP	0.12 HR		\$0.93	\$3.79	\$0.99	\$4.11	\$9.82
FERT SPREADER	145 HP	0.05 HR		\$0.39	\$1.19	\$0.21	\$2.38	\$4.17
DRILL	145 HP	0.13 HR		\$1.01	\$3.10	\$0.78	\$9.04	\$13.93
IRRIGATE (3X)		1.50 HR		\$11.25	\$56.41	\$0.00	\$3.57	\$71.22
SUBTOTAL		2.30 HR		\$17.45	\$80.29	\$8.48	\$36.22	\$142.43

HARVEST OPERATIONS								
COMBINE (CUSTOM)				\$27.59				\$27.59
HAUL (CUSTOM)				\$12.80				\$12.80
SUBTOTAL				\$40.39				\$40.39

OVERHEAD EXPENSES								
DOWNTIME		0.20 HR		\$1.55				\$1.55
EMPLOYEE BENEFITS				\$3.14				\$3.14
INSURANCE				\$0.35				\$0.35
LAND TAXES							\$0.75	\$0.75
SUPERVISION AND MANAGEMENT				\$31.30				\$31.30
OTHER EXPENSES				\$68.20				\$68.20
SUBTOTAL		0.20 HR		\$68.55	\$35.99		\$0.75	\$105.29

TOTAL OPERATING EXPENSES 2.50 HR \$218.92 \$53.44 \$80.29 \$8.48 \$36.97 \$398.09

NET OPERATING PROFIT \$21.91

INTEREST ON OPERATING CAPITAL (\$80.55 @ 5.75%) \$4.63
 INTEREST ON EQUIPMENT INVESTMENT \$10.60

RETURN TO LAND AND RISK \$6.68

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

BUDGET SUMMARY

GROSS RETURN		\$420.00	
VARIABLE OPERATING EXPENSES	\$307.68		
RETURN OVER VARIABLE EXPENSES		\$112.32	(GROSS MARGIN)
FIXED EXPENSES	\$36.97		
NET FARM INCOME		\$75.35	(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$53.44		
NET OPERATING PROFIT		\$21.91	(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$15.24		
RETURN TO LAND AND RISK		\$6.68	

TABLE 7. Grain sorghum, flood-irrigated, budgeted per acre costs and returns for a 520 acre farm with above average management, Curry County, Actual 2018
 Planting Dates: May 15 - June 15
 Harvesting Dates: October 15 - November 15

ITEM	PRICE	YIELD	BASE	TOTAL
GROSS RETURNS				
GRAIN SORGHUM	\$6.65	65.00 CWT		\$432.25
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				\$441.25

PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS	FIXED COST	TOTAL
SEED	\$2.25	5 LBS	\$11.25		\$11.25
ANHYDROUS (NH3)	\$0.37	150 LBS	\$55.88		\$55.88
NITROGEN (N)	\$0.42	25 LBS	\$10.50		\$10.50
PHOSPHORUS (P205)	\$0.49	50 LBS	\$24.50		\$24.50
HERBICIDE (CUSTOM)	\$14.11	1 X/ACRE	\$14.11		\$14.11
INSECTICIDE (CUSTOM)	\$13.49	1 X/ACRE	\$13.49		\$13.49
TRACE ELEMENTS	\$13.89	1 ACRE	\$13.89		\$13.89
PUMP WATER*		20 AC. IN.			
CROP INSURANCE	\$0.29		\$0.29		\$0.29
SUBTOTAL			\$143.90		\$143.90

PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
DISC	185 HP	0.11 HR		\$0.85	\$3.48	\$1.85	\$4.17	\$10.34
CHISEL	185 HP	0.15 HR		\$1.16	\$4.74	\$1.15	\$5.98	\$13.03
DISC (2X)	185 HP	0.22 HR		\$1.71	\$6.95	\$3.69	\$8.33	\$20.68
ANHYDROUS APPL	185 HP	0.17 HR		\$1.32	\$5.37	\$0.95	\$4.63	\$12.27
LISTER	185 HP	0.12 HR		\$0.93	\$3.79	\$0.99	\$4.11	\$9.82
PRE-IRRIGATE		0.50 HR		\$3.88	\$15.04	\$0.00	\$0.95	\$19.87
ROD WEEDER	140 HP	0.08 HR		\$0.62	\$1.91	\$0.40	\$4.52	\$7.46
PLANTER	140 HP	0.17 HR		\$1.32	\$4.05	\$1.07	\$14.64	\$21.08
CULTIVATOR (2X)	140 HP	0.26 HR		\$2.02	\$6.20	\$2.72	\$18.11	\$29.05
IRRIGATE (4X)		2.00 HR		\$15.00	\$60.17	\$0.00	\$3.80	\$78.97
SUBTOTAL		3.78 HR		\$28.80	\$111.69	\$12.83	\$69.23	\$222.55

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

OVERHEAD EXPENSES								
DOWNTIME		0.32 HR		\$2.48				\$2.48
EMPLOYEE BENEFITS				\$5.18				\$5.18
INSURANCE			\$0.58					\$0.58
LAND TAXES						\$0.75		\$0.75
SUPERVISION AND MANAGEMENT				\$33.78				\$33.78
OTHER EXPENSES			\$68.20					\$68.20
SUBTOTAL		0.32 HR	\$68.78	\$41.44			\$0.75	\$110.97

TOTAL OPERATING EXPENSES		4.10 HR	\$253.46	\$70.24	\$111.69	\$12.83	\$69.98	\$518.21
NET OPERATING PROFIT								(\$76.96)
INTEREST ON OPERATING CAPITAL	(\$106.48	@	5.75%)			\$6.12
INTEREST ON EQUIPMENT INVESTMENT								\$20.19
RETURN TO LAND AND RISK								(\$103.27)

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

GROSS RETURN		\$441.25		
VARIABLE OPERATING EXPENSES	\$377.99			
RETURN OVER VARIABLE EXPENSES		\$63.26	(GROSS MARGIN)	
FIXED EXPENSES	\$69.98			
NET FARM INCOME		(\$6.72)	(RETURN TO CAPITAL, LABOR, LAND & RISK)	
LABOR AND MANAGEMENT COST	\$70.24			
NET OPERATING PROFIT		(\$76.96)	(RETURN TO CAPITAL, LAND & RISK)	
CAPITAL COSTS	\$26.31			
RETURN TO LAND AND RISK		(\$103.27)		

TABLE 8. Summary of per acre costs and returns for a 520 acre farm with above average management, Curry County, Actual 2018

	WHEAT	GRAIN SORGHUM
	BUSHEL	CWT
PRIMARY YIELD	80.00	65.00
PRIMARY PRICE	\$4.75	\$6.65
GOVERNMENT PAYMENTS	\$0.00	\$0.00
SECOND INCOME	\$40.00 ACRE	\$9.00 ACRE
GROSS RETURN	\$420.00	\$441.25
CASH OPERATING EXPENSES		
SEED	\$22.20	\$11.25
FERTILIZER	\$67.35	\$104.76
CHEMICALS	\$20.28	\$27.60
CROP INSURANCE	\$0.15	\$0.29
OTHER PURCHASED INPUTS		
CANAL WATER		
FUEL, OIL & LUBRICANTS-EQUIPMENT	\$23.88	\$36.48
FUEL-IRRIGATION	\$56.41	\$75.21
REPAIRS	\$8.48	\$12.83
CUSTOM CHARGES	\$40.39	\$40.78
LAND TAXES	\$0.75	\$0.75
OTHER EXPENSES	\$68.55	\$68.78
TOTAL CASH EXPENSES	\$308.43	\$378.74
RETURN OVER CASH EXPENSES	\$111.57	\$62.51
FIXED EXPENSES	\$36.22	\$69.23
TOTAL EXPENSES	\$344.65	\$447.97
NET FARM INCOME	\$75.35	(\$6.72)
LABOR AND MANAGEMENT COSTS	\$53.44	\$70.24
NET OPERATING PROFIT	\$21.91	(\$76.96)
CAPITAL COSTS		
INTEREST ON OPERATING CAPITAL	\$4.63	\$6.12
INTEREST ON EQUIPMENT INVESTMENT	\$10.60	\$20.19
TOTAL CAPITAL COSTS	\$15.24	\$26.31
RETURN TO LAND AND RISK	\$6.68	(\$103.27)
Flex Computation	53.50	-13.85

TABLE 9. Whole farm summary, Curry County,
Actual 2018

GROSS RETURNS		
WHEAT	330 ACRES	
CROP		\$125,400
GRAZING		\$13,200
DIRECT PAYMENT		\$0
COUNTER CYCLICAL PAYMENT		\$0
GRAIN SORGHUM	170 ACRES	
CROP		\$73,483
GRAZING		\$1,530
DIRECT PAYMENT		\$0
COUNTER CYCLICAL PAYMENT		\$0
GROSS RETURN		<u>\$213,613</u>
CASH OPERATING EXPENSES		
SEED		\$9,239
FERTILIZER		\$40,035
CHEMICALS		\$11,382
CROP INSURANCE		\$100
OTHER PURCHASED INPUTS		\$0
CANAL WATER		\$0
FUEL, OIL & LUBRICANTS-EQUIPMENT		\$14,082
FUEL-IRRIGATION		\$31,400
REPAIRS		\$4,980
CUSTOM CHARGES		\$20,262
LAND TAXES		\$374
OTHER EXPENSES		\$34,314
TOTAL CASH EXPENSES		<u>\$166,167</u>
RETURN OVER CASH EXPENSES		\$47,445
FIXED EXPENSES		\$23,721
TOTAL EXPENSES		\$189,889
NET FARM INCOME		\$23,724
LABOR AND MANAGEMENT COSTS		\$29,576
NET OPERATING PROFIT		(\$5,852)
CAPITAL COSTS		
INTEREST ON OPERATING CAPITAL		\$2,569
INTEREST ON EQUIPMENT INVESTMENT		\$6,931
TOTAL CAPITAL COSTS		<u>\$9,500</u>
RETURN TO LAND AND RISK		<u><u>(\$15,352)</u></u>

LAND VALUE	RETURN TO RISK*	RETURN ON INVESTMENT**
\$500 /ACRE	(\$23,152)	-1.53%
\$1,000 /ACRE	(\$30,952)	-0.91%
\$1,500 /ACRE	(\$38,752)	-0.65%
\$2,000 /ACRE	(\$46,552)	-0.50%
\$2,500 /ACRE	(\$54,352)	-0.41%

* 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)