

TABLE 6. Wheat, sprinkler-irrigated, budgeted per acre costs and returns for a 640 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	90.00 BUSHELS		\$427.50
DIRECT PAYMENT	\$0.00	90.00 BUSHELS	0.85	\$0.00
COUNTER CYCLICAL PAYMENT	\$0.00			\$0.00
GRAZING	\$40.00	1.00 ACRE		\$40.00
TOTAL				\$467.50

PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS	FIXED COST	TOTAL
SEED	\$0.37	80 LBS	\$29.60		\$29.60
LIQUID FERT (28-0-0)	\$0.07	460 LBS	\$33.35		\$33.35
NITROGEN (N)	\$0.42	18 LBS	\$7.56		\$7.56
PHOSPHATE (P205)	\$0.49	46 LBS	\$22.54		\$22.54
INSECTICIDE (CUSTOM)	\$11.16	1 ACRE	\$11.16		\$11.16
HERBICIDE (CUSTOM)	\$11.16	1 ACRE	\$11.16		\$11.16
PUMP WATER*		10 AC. IN.			
CROP INSURANCE	\$0.26		\$0.26		\$0.26
SUBTOTAL			\$115.63		\$115.63

PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
CHISEL	185 HP	0.15 HR		\$1.16	\$4.74	\$1.15	\$4.56	\$11.61
DISC (3X)	185 HP	0.33 HR		\$2.56	\$10.43	\$4.92	\$11.12	\$29.03
FERT SPREADER-ANHY	140 HP	0.05 HR		\$0.39	\$1.19	\$0.21	\$1.76	\$3.55
DRILL	140 HP	0.13 HR		\$1.01	\$3.10	\$0.78	\$8.41	\$13.30
IRRIGATE (7X)		0.70 HR		\$5.25	\$47.91	\$0.00	\$4.16	\$57.32
SUBTOTAL		1.36 HR		\$10.37	\$67.36	\$7.07	\$30.02	\$114.81

HARVEST OPERATIONS								
COMBINE (CUSTOM)			\$11.61					\$11.61
HAUL (CUSTOM)			\$14.40					\$14.40
SUBTOTAL			\$26.01					\$26.01

OVERHEAD EXPENSES								
DOWNTIME		0.17 HR		\$1.28				\$1.28
EMPLOYEE BENEFITS				\$1.87				\$1.87
INSURANCE			\$0.21					\$0.21
LAND TAXES							\$0.75	\$0.75
SUPERVISION AND MANAGEMENT				\$33.68				\$33.68
OTHER EXPENSES			\$57.89					\$57.89
SUBTOTAL		0.17 HR	\$58.10	\$36.82			\$0.75	\$95.67

TOTAL OPERATING EXPENSES		1.53 HR	\$199.75	\$47.19	\$67.36	\$7.07	\$30.77	\$352.13
NET OPERATING PROFIT								\$115.37
INTEREST ON OPERATING CAPITAL		(\$78.59 @	5.75%)				\$4.52
INTEREST ON EQUIPMENT INVESTMENT								\$12.12
RETURN TO LAND AND RISK								\$98.74

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

BUDGET SUMMARY

GROSS RETURN		\$467.50	
VARIABLE OPERATING EXPENSES	\$274.17		
RETURN OVER VARIABLE EXPENSES		\$193.33	(GROSS MARGIN)
FIXED EXPENSES	\$30.77		
NET FARM INCOME		\$162.56	(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$47.19		
NET OPERATING PROFIT		\$115.37	(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$16.63		
RETURN TO LAND AND RISK		\$98.74	

TABLE 7. Corn for grain, sprinkler-irrigated, budgeted per acre costs and returns for a 640 acre farm with above average management, Curry County, Actual 2018
 Planting Dates: April 15 - May 15
 Harvesting Dates: September 1 - October 15

ITEM	PRICE	YIELD	BASE	TOTAL
GROSS RETURNS				
CORN FOR GRAIN	\$7.95	145.00 CWT		\$1,152.23
DIRECT PAYMENT	\$0.00	145.00 CWT	0.85	\$0.00
COUNTER CYCLICAL PAYMENT	\$0.00	0.00 CWT		\$0.00
GRAZING	\$10.00	1.00 ACRE		\$10.00
TOTAL				\$1,162.23

PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS	FIXED COST	TOTAL
SEED	\$3.11	34 000	\$105.83		\$105.83
LIQUID FERT (28-0-0)	\$0.08	525 LBS	\$42.00		\$42.00
LIQUID FERT (46-0-0)	\$0.08	325 LBS	\$26.00		\$26.00
K-MAG	\$0.09	45 LBS	\$4.05		\$4.05
PHOSPHATE (P205)	\$0.49	100 LBS	\$49.00		\$49.00
NITROGEN (N)	\$0.42	50 LBS	\$21.00		\$21.00
HERBICIDE (SYSTEM)	\$16.99	1 X/ACRE	\$16.99		\$16.99
INSECTICIDE (SYSTEM)	\$11.16	2 X/ACRE	\$22.32		\$22.32
TRACE ELEMENTS	\$16.00	1 ACRE	\$16.00		\$16.00
PUMP WATER*		20 AC. IN.			
CROP INSURANCE	\$0.16		\$0.16		\$0.16
SUBTOTAL			\$303.35		\$303.35

PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
DISC	185 HP	0.11 HR		\$0.85	\$3.48	\$1.64	\$3.71	\$9.68
CHISEL	185 HP	0.15 HR		\$1.16	\$4.74	\$1.15	\$4.56	\$11.61
DISC (2X)	185 HP	0.22 HR		\$1.71	\$6.95	\$3.28	\$7.42	\$19.35
FERT SPREADER	140 HP	0.05 HR		\$0.39	\$1.19	\$0.21	\$1.76	\$3.55
PLANTER	140 HP	0.17 HR		\$1.32	\$4.05	\$1.07	\$8.85	\$15.29
CULTIVATOR	140 HP	0.13 HR		\$1.01	\$3.10	\$1.04	\$5.95	\$11.09
IRRIGATE (14X)		1.40 HR		\$10.50	\$95.82	\$0.00	\$8.02	\$114.34
SUBTOTAL		2.23 HR		\$16.93	\$119.32	\$8.40	\$40.26	\$184.92

HARVEST OPERATIONS								
COMBINE (CUSTOM)			\$27.62					\$27.62
HAUL (CUSTOM)			\$26.10					\$26.10
SUBTOTAL			\$53.72					\$53.72

OVERHEAD EXPENSES								
DOWNTIME		0.21 HR		\$1.61				\$1.61
EMPLOYEE BENEFITS				\$3.05				\$3.05
INSURANCE			\$0.34					\$0.34
LAND TAXES						\$0.75		\$0.75
SUPERVISION AND MANAGEMENT				\$83.17				\$83.17
OTHER EXPENSES			\$57.89					\$57.89
SUBTOTAL		0.21 HR	\$58.23	\$87.83		\$0.75		\$146.81

TOTAL OPERATING EXPENSES 2.44 HR \$415.30 \$104.76 \$119.32 \$8.40 \$41.01 \$688.79

NET OPERATING PROFIT \$473.44

INTEREST ON OPERATING CAPITAL (\$188.08 @ 5.75%) \$10.81
 INTEREST ON EQUIPMENT INVESTMENT \$16.88

RETURN TO LAND AND RISK \$445.74

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

BUDGET SUMMARY

GROSS RETURN		\$1,162.23	
VARIABLE OPERATING EXPENSES	\$543.02		
RETURN OVER VARIABLE EXPENSES		\$619.21	(GROSS MARGIN)
FIXED EXPENSES	\$41.01		
NET FARM INCOME		\$578.20	(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$104.76		
NET OPERATING PROFIT		\$473.44	(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$27.70		
RETURN TO LAND AND RISK		\$445.74	

TABLE 8. Summary of per acre costs and returns for a 640 acre farm with above average management Curry County, Actual 2018

	WHEAT	CORN FOR GRAIN
	BUSHEL	CWT
PRIMARY YIELD	90.00	145.00
PRIMARY PRICE	\$4.75	\$7.95
GOVERNMENT PAYMENTS	\$0.00	\$0.00
SECOND INCOME	\$40.00 ACRE	\$10.00 ACRE
GROSS RETURN	\$467.50	\$1,162.23
CASH OPERATING EXPENSES		
SEED	\$29.60	\$105.83
FERTILIZER	\$63.45	\$158.05
CHEMICALS	\$22.32	\$39.31
CROP INSURANCE	\$0.26	\$0.16
OTHER PURCHASED INPUTS		
CANAL WATER		
FUEL, OIL & LUBRICANTS-EQUIPMENT	\$19.46	\$23.51
FUEL-IRRIGATION	\$47.91	\$95.82
REPAIRS	\$7.07	\$8.40
CUSTOM CHARGES	\$26.01	\$53.72
LAND TAXES	\$0.75	\$0.75
OTHER EXPENSES	\$58.10	\$58.23
TOTAL CASH EXPENSES	\$274.92	\$543.77
RETURN OVER CASH EXPENSES	\$192.58	\$618.46
FIXED EXPENSES	\$30.02	\$40.26
TOTAL EXPENSES	\$304.94	\$584.03
NET FARM INCOME	\$162.56	\$578.20
LABOR AND MANAGEMENT COSTS	\$47.19	\$104.76
NET OPERATING PROFIT	\$115.37	\$473.44
CAPITAL COSTS		
INTEREST ON OPERATING CAPITAL	\$4.52	\$10.81
INTEREST ON EQUIPMENT INVESTMENT	\$12.12	\$16.88
TOTAL CAPITAL COSTS	\$16.63	\$27.70
RETURN TO LAND AND RISK	\$98.74	\$445.74
Flex Computation	140.87	502.89

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

GROSS RETURNS		
WHEAT	194 ACRES	
CROP		\$82,935
GRAZING		\$7,760
DIRECT PAYMENT		\$0
COUNTER CYCLICAL PAYMENT		\$0
CORN FOR GRAIN	306 ACRES	
CROP		\$352,583
GRAZING		\$3,060
DIRECT PAYMENT		\$0
COUNTER CYCLICAL PAYMENT		\$0
GROSS RETURN		<u>\$446,338</u>
CASH OPERATING EXPENSES		
SEED		\$38,125
FERTILIZER		\$60,673
CHEMICALS		\$16,359
CROP INSURANCE		\$100
OTHER PURCHASED INPUTS		\$0
CANAL WATER		\$0
FUEL, OIL & LUBRICANTS-EQUIPMENT		\$10,968
FUEL-IRRIGATION		\$38,614
REPAIRS		\$3,940
CUSTOM CHARGES		\$21,485
LAND TAXES		\$374
OTHER EXPENSES		\$29,091
TOTAL CASH EXPENSES		<u>\$219,728</u>
RETURN OVER CASH EXPENSES		\$226,610
FIXED EXPENSES		\$18,144
TOTAL EXPENSES		\$237,872
NET FARM INCOME		\$208,466
LABOR AND MANAGEMENT COSTS		\$41,211
NET OPERATING PROFIT		\$167,254
CAPITAL COSTS		
INTEREST ON OPERATING CAPITAL		\$4,186
INTEREST ON EQUIPMENT INVESTMENT		\$7,516
TOTAL CAPITAL COSTS		<u>\$11,702</u>
RETURN TO LAND AND RISK		<u>\$155,552</u>

LAND VALUE	RETURN TO RISK*	RETURN ON INVESTMENT**
\$500 /ACRE	\$145,952	37.17%
\$1,000 /ACRE	\$136,352	21.72%
\$1,500 /ACRE	\$126,752	15.34%
\$2,000 /ACRE	\$117,152	11.86%
\$2,500 /ACRE	\$107,552	9.67%

* 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)