

TABLE 1. Acreage Summary, Curry County,
Projected 2018

BUDGET AREA.....	CURRY COUNTY
FARM SIZE.....	520 ACRES
IRRIGATION TYPE.....	FLOOD
NUMBER OF CROPS...	2

ACREAGE SUMMARY:	LAND USE (ACRES)	WATER USE	
		AC.IN. PER AC.	TOTAL AC.IN.
WHEAT	255	15	3,825
ARP	0		
FLEX IN WHEAT	45	15	675
GRAIN SORGHUM	170	20	3,400
ARP	0		
FLEX IN WHEAT	30	15	450
ROADS, DITCHES HOMESTEAD	<u>20</u>		
TOTAL	520		8,350
ACRE FEET PER ACRE OF WATER RIGHTS			<u>1.34</u>

TABLE 2. Basic cost information for Curry County,
Projected 2018

Item			
Labor Wage Rate:			
Equipment operators		\$/hour	\$7.75
General & Irrigators		\$/hour	\$7.50
Purchased Inputs:			
Fertilizer:			
Nitrogen (N)		\$/pound	\$0.31
Phosphate (P205)		\$/pound	\$0.24
Anhydrous (NH3)		\$/ton	\$420.00
Seed:			
Grain Sorghum		\$/pound	\$1.32
Wheat		\$/pound	\$0.44
Diesel fuel		\$/gallon	\$2.70
Gasoline		\$/gallon	\$2.40
Electricity (SWPS)		cents/KwHr	7.74
LP gas		\$/gallon	\$2.90
Natural Gas (Gas NM)		\$/MCF	\$4.00
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	5.50%
Land Interest Rate		percent	5.00%
Equipment Interest Rate		percent	5.50%
Real Interest Rate		percent	3.00%
Land Taxes		\$109.00 /acre (full value)	\$0.78
Personal Propety Tax Rate	- NR	\$/(\$1,000 (Assessed Value)	\$21.60
	- R		\$20.65
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 2018

Item			
Electricity (Domestic & Shop)		\$254.00 per month	\$3,048
Telephone		\$127.00 per month	\$1,524
Accounting & Legal			\$1,873
Misc. Supplies & Hand Tools			\$2,800
Pickup and Auto			
miles	25,400	@ \$0.500 per mile	\$12,700
Insurance			
- general liability (non-employee)			\$2,502
- fire/theft			\$2,007
Property Taxes			
- non-planted land			\$0
- other than land & machinery			\$0
Building repairs and maintenance			\$1,657
Dues, fees, publications			\$457
Farmstead Equipment			\$191
Total			<u>\$28,759</u>
Total Per Planted Acre			\$67.67

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

ITEM	PRICE	YIELD	BASE	TOTAL
GROSS RETURNS				
WHEAT	\$4.40	65.00 BUSHELS		\$286.00
DIRECT PAYMENT	\$0.00	65.00 BUSHEL	0.85	\$0.00
COUNTER CYCLICAL PAYMENT	\$0.00			\$0.00
GRAZING	\$40.00	1.00 ACRE		\$40.00
TOTAL				\$326.00

PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS	FIXED COST	TOTAL
SEED	\$0.44	60 LBS	\$26.40		\$26.40
ANHYDROUS AMMONIA (NH3)	\$0.21	100 LBS	\$21.00		\$21.00
NITROGEN (N)	\$0.31	18 LBS	\$5.58		\$5.58
PHOSPHORUS (P205)	\$0.24	46 LBS	\$11.04		\$11.04
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			\$84.45		\$84.45

PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
DISC (3X)	185 HP	0.33 HR		\$2.56	\$9.23	\$5.55	\$12.75	\$30.09
ANHYDROUS APPL	185 HP	0.17 HR		\$1.32	\$4.75	\$0.96	\$4.73	\$11.77
LISTER	185 HP	0.12 HR		\$0.93	\$3.36	\$1.00	\$4.19	\$9.48
FERT SPREADER	145 HP	0.05 HR		\$0.39	\$1.05	\$0.22	\$2.46	\$4.12
DRILL	145 HP	0.13 HR		\$1.01	\$2.74	\$0.79	\$9.28	\$13.82
IRRIGATE (3X)		1.50 HR		\$11.25	\$56.41	\$0.00	\$3.64	\$71.30
SUBTOTAL		2.30 HR		\$17.45	\$77.55	\$8.52	\$37.06	\$140.57

HARVEST OPERATIONS								
COMBINE (CUSTOM)				\$24.74				\$24.74
HAUL (CUSTOM)				\$10.40				\$10.40
SUBTOTAL				\$35.14				\$35.14

OVERHEAD EXPENSES								
DOWNTIME		0.20 HR		\$1.55				\$1.55
EMPLOYEE BENEFITS				\$3.14				\$3.14
INSURANCE			\$0.35					\$0.35
LAND TAXES							\$0.78	\$0.78
SUPERVISION AND MANAGEMENT				\$24.72				\$24.72
OTHER EXPENSES			\$67.67					\$67.67
SUBTOTAL		0.20 HR		\$68.02	\$29.41		\$0.78	\$98.21

TOTAL OPERATING EXPENSES 2.50 HR \$187.60 \$46.86 \$77.55 \$8.52 \$37.84 \$358.37

NET OPERATING PROFIT (\$32.37)

INTEREST ON OPERATING CAPITAL (\$66.67 @ 5.50%) \$3.67
 INTEREST ON EQUIPMENT INVESTMENT \$10.22

RETURN TO LAND AND RISK (\$46.26)

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

BUDGET SUMMARY

GROSS RETURN		\$326.00		
VARIABLE OPERATING EXPENSES	\$273.67			
RETURN OVER VARIABLE EXPENSES		\$52.33	(GROSS MARGIN)	
FIXED EXPENSES	\$37.84			
NET FARM INCOME		\$14.49	(RETURN TO CAPITAL, LABOR, LAND & RISK)	
LABOR AND MANAGEMENT COST	\$46.86			
NET OPERATING PROFIT		(\$32.37)	(RETURN TO CAPITAL, LAND & RISK)	
CAPITAL COSTS	\$13.89			
RETURN TO LAND AND RISK		(\$46.26)		

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

ITEM	PRICE	YIELD	BASE	TOTAL
GROSS RETURNS				
GRAIN SORGHUM	\$6.08	65.00 CWT		\$395.11
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				\$404.11

PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS	FIXED COST	TOTAL
SEED	\$1.32	5 LBS	\$6.60		\$6.60
ANHYDROUS (NH3)	\$0.21	150 LBS	\$31.50		\$31.50
NITROGEN (N)	\$0.31	25 LBS	\$7.75		\$7.75
PHOSPHORUS (P205)	\$0.24	50 LBS	\$12.00		\$12.00
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			\$99.63		\$99.63

PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
DISC	185 HP	0.11 HR		\$0.85	\$3.08	\$1.85	\$4.25	\$10.03
CHISEL	185 HP	0.15 HR		\$1.16	\$4.20	\$1.16	\$6.10	\$12.61
DISC (2X)	185 HP	0.22 HR		\$1.71	\$6.15	\$3.70	\$8.50	\$20.06
ANHYDROUS APPL	185 HP	0.17 HR		\$1.32	\$4.75	\$0.96	\$4.73	\$11.77
LISTER	185 HP	0.12 HR		\$0.93	\$3.36	\$1.00	\$4.19	\$9.48
PRE-IRRIGATE		0.50 HR		\$3.88	\$15.04	\$0.00	\$0.97	\$19.89
ROD WEEDER	140 HP	0.08 HR		\$0.62	\$1.69	\$0.41	\$4.66	\$7.38
PLANTER	140 HP	0.17 HR		\$1.32	\$3.59	\$1.09	\$14.98	\$20.97
CULTIVATOR (2X)	140 HP	0.26 HR		\$2.02	\$5.49	\$2.74	\$18.61	\$28.86
IRRIGATE (4X)		2.00 HR		\$15.00	\$60.17	\$0.00	\$3.88	\$79.05
SUBTOTAL		3.78 HR		\$28.80	\$107.51	\$12.90	\$70.88	\$220.09

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						\$0.78		\$0.78
SUPERVISION AND MANAGEMENT				\$31.18				\$31.18
OTHER EXPENSES			\$67.67					\$67.67
SUBTOTAL		0.32 HR		\$68.24	\$38.84		\$0.78	\$107.87

TOTAL OPERATING EXPENSES 4.10 HR \$208.66 \$67.64 \$107.51 \$12.90 \$71.67 \$468.37

NET OPERATING PROFIT (\$64.26)

INTEREST ON OPERATING CAPITAL (\$83.32 @ 5.50%) \$4.58
 INTEREST ON EQUIPMENT INVESTMENT \$19.47

RETURN TO LAND AND RISK (\$88.32)

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

GROSS RETURN		\$404.11		
VARIABLE OPERATING EXPENSES	\$329.07			
RETURN OVER VARIABLE EXPENSES		\$75.04	(GROSS MARGIN)	
FIXED EXPENSES	\$71.67			
NET FARM INCOME		\$3.37	(RETURN TO CAPITAL, LABOR, LAND & RISK)	
LABOR AND MANAGEMENT COST	\$67.64			
NET OPERATING PROFIT		(\$64.26)	(RETURN TO CAPITAL, LAND & RISK)	
CAPITAL COSTS	\$24.06			
RETURN TO LAND AND RISK		(\$88.32)		

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

	WHEAT	GRAIN SORGHUM
	BUSHEL	CWT
PRIMARY YIELD	65.00	65.00
PRIMARY PRICE	\$4.40	\$6.08
GOVERNMENT PAYMENTS	\$0.00	\$0.00
SECOND INCOME	\$40.00 ACRE	\$9.00 ACRE
GROSS RETURN	\$326.00	\$404.11
CASH OPERATING EXPENSES		
SEED	\$26.40	\$6.60
FERTILIZER	\$37.62	\$65.14
CHEMICALS	\$20.28	\$27.60
CROP INSURANCE	\$0.15	\$0.29
OTHER PURCHASED INPUTS		
CANAL WATER		
FUEL, OIL & LUBRICANTS-EQUIPMENT	\$21.14	\$32.30
FUEL-IRRIGATION	\$56.41	\$75.21
REPAIRS	\$8.52	\$12.90
CUSTOM CHARGES	\$35.14	\$40.78
LAND TAXES	\$0.78	\$0.78
OTHER EXPENSES	\$68.02	\$68.24
TOTAL CASH EXPENSES	\$274.45	\$329.85
RETURN OVER CASH EXPENSES	\$51.55	\$74.26
FIXED EXPENSES	\$37.06	\$70.88
TOTAL EXPENSES	\$311.51	\$400.73
NET FARM INCOME	\$14.49	\$3.37
LABOR AND MANAGEMENT COSTS	\$46.86	\$67.64
NET OPERATING PROFIT	(\$32.37)	(\$64.26)
CAPITAL COSTS		
INTEREST ON OPERATING CAPITAL	\$3.67	\$4.58
INTEREST ON EQUIPMENT INVESTMENT	\$10.22	\$19.47
TOTAL CAPITAL COSTS	\$13.89	\$24.06
RETURN TO LAND AND RISK	<u>(\$46.26)</u>	<u>(\$88.32)</u>

Flex Computation

1.02

2.04

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

GROSS RETURNS		
WHEAT	330 ACRES	
CROP		\$94,380
GRAZING		\$13,200
DIRECT PAYMENT		\$0
COUNTER CYCLICAL PAYMENT		\$0
GRAIN SORGHUM	170 ACRES	
CROP		\$67,168
GRAZING		\$1,530
DIRECT PAYMENT		\$0
COUNTER CYCLICAL PAYMENT		\$0
GROSS RETURN		<u>\$176,278</u>
CASH OPERATING EXPENSES		
SEED		\$9,834
FERTILIZER		\$23,488
CHEMICALS		\$11,382
CROP INSURANCE		\$100
OTHER PURCHASED INPUTS		\$0
CANAL WATER		\$0
FUEL, OIL & LUBRICANTS-EQUIPMENT		\$12,466
FUEL-IRRIGATION		\$31,400
REPAIRS		\$5,004
CUSTOM CHARGES		\$18,529
LAND TAXES		\$392
OTHER EXPENSES		\$34,047
TOTAL CASH EXPENSES		<u>\$146,644</u>
RETURN OVER CASH EXPENSES		\$29,634
FIXED EXPENSES		\$24,279
TOTAL EXPENSES		\$170,923
NET FARM INCOME		\$5,356
LABOR AND MANAGEMENT COSTS		\$26,962
NET OPERATING PROFIT		(\$21,607)
CAPITAL COSTS		
INTEREST ON OPERATING CAPITAL		\$1,989
INTEREST ON EQUIPMENT INVESTMENT		\$6,683
TOTAL CAPITAL COSTS		<u>\$8,672</u>
RETURN TO LAND AND RISK		<u><u>(\$30,279)</u></u>

LAND VALUE	RETURN TO RISK*	RETURN ON INVESTMENT**
\$500 /ACRE	(\$38,079)	-5.66%
\$1,000 /ACRE	(\$45,879)	-3.37%
\$1,500 /ACRE	(\$53,679)	-2.40%
\$2,000 /ACRE	(\$61,479)	-1.86%
\$2,500 /ACRE	(\$69,279)	-1.52%

* 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)