

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
<b>GROSS RETURNS</b>				
WHEAT	\$4.75	90.00 BUSHELS		\$427.50
DIRECT PAYMENT	\$0.00	90.00 BUSHEL	0.85	\$0.00
COUNTER CYCLICAL PAYMENT	\$0.00			\$0.00
GRAZING	\$40.00	1.00 ACRE		\$40.00
<b>TOTAL</b>				<b>\$467.50</b>

PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS	FIXED COST	TOTAL
SEED	\$0.37	80 LBS	\$29.60		\$29.60
LIQUID FERT (28-0-0)	\$0.09	460 LBS	\$41.40		\$41.40
NITROGEN (N)	\$0.42	18 LBS	\$7.56		\$7.56
PHOSPHATE (P205)	\$0.49	46 LBS	\$22.54		\$22.54
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
<b>SUBTOTAL</b>			<b>\$122.42</b>		<b>\$122.42</b>

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	\$4.34	\$11.39
DISC (3X)	185 HP	0.33 HR		\$2.56	\$10.43	\$4.92	\$10.64	\$28.55
FERT S SPREADER	140 HP	0.05 HR		\$0.39	\$1.19	\$0.21	\$2.10	\$3.89
DRILL	140 HP	0.13 HR		\$1.01	\$3.10	\$0.78	\$7.72	\$12.60
IRRIGATE (7X)		0.70 HR		\$5.25	\$47.91	\$0.00	\$5.57	\$58.73
<b>SUBTOTAL</b>		<b>1.36 HR</b>		<b>\$10.37</b>	<b>\$67.36</b>	<b>\$7.07</b>	<b>\$30.37</b>	<b>\$115.17</b>

HARVEST OPERATIONS					
COMBINE (CUSTOM)			\$27.40		\$27.40
HAUL (C (CUSTOM)			\$14.40		\$14.40
<b>SUBTOTAL</b>			<b>\$41.80</b>		<b>\$41.80</b>

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
SUPERVISION AND MANAGEMENT				\$33.68	\$33.68
OTHER EXPENSES			\$57.89		\$57.89
<b>SUBTOTAL</b>		<b>0.17 HR</b>	<b>\$58.10</b>	<b>\$36.82</b>	<b>\$109.00</b>

<b>TOTAL OPERATING EXPENSES</b>		<b>1.53 HR</b>	<b>\$222.32</b>	<b>\$47.19</b>	<b>\$67.36</b>	<b>\$7.07</b>	<b>\$139.37</b>	<b>\$483.32</b>
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NET OPERATING PROFIT (\$15.82)

INTEREST ON OPERATING CAPITAL	(	\$83.30	@	5.75%	)	\$4.79
INTEREST ON EQUIPMENT INVESTMENT						\$12.58

RETURN TO LAND AND RISK (\$33.18)

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

GROSS RETURN		\$467.50	
VARIABLE OPERATING EXPENSES	\$296.75		
RETURN OVER VARIABLE EXPENSES	\$170.75	(GROSS MARGIN)	
FIXED EXPENSES	\$139.37		
NET FARM INCOME	\$31.37	(RETURN TO CAPITAL, LABOR, LAND & RISK)	
LABOR AND MANAGEMENT COST	\$47.19		
NET OPERATING PROFIT	(\$15.82)	(RETURN TO CAPITAL, LAND & RISK)	
CAPITAL COSTS	\$17.37		
RETURN TO LAND AND RISK	(\$33.18)		

TABLE 7. Grain sorghum, sprinkler-irrigated, budgeted per acre costs and returns for a 640 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
<b>GROSS RETURNS</b>				
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
<b>TOTAL</b>				<b>\$441.25</b>

PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS	FIXED COST	TOTAL
SEED	\$2.25	5 LBS	\$11.25		\$11.25
LIQUID FERT (28-0-0)	\$0.09	500 LBS	\$45.00		\$45.00
NITROGEN (N)	\$0.42	25 LBS	\$10.50		\$10.50
PHOSPHATE (P205)	\$0.49	50 LBS	\$24.50		\$24.50
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
<b>SUBTOTAL</b>			<b>\$124.80</b>		<b>\$124.80</b>

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	\$3.55	\$9.52
CHISEL	185 HP	0.15 HR		\$1.16	\$4.74	\$1.15	\$4.34	\$11.39
DISC (2X)	185 HP	0.22 HR		\$1.71	\$6.95	\$3.28	\$7.09	\$19.03
FERT SPREADER	140 HP	0.05 HR		\$0.39	\$1.19	\$0.21	\$2.10	\$3.89
ROD WEEDER	185 HP	0.08 HR		\$0.62	\$2.53	\$0.51	\$2.59	\$6.24
PLANT ER	140 HP	0.17 HR		\$1.32	\$4.05	\$1.07	\$12.31	\$18.76
CULTIVATOR	140 HP	0.13 HR		\$1.01	\$3.10	\$1.04	\$7.93	\$13.08
IRRIGATE (10X)	140 HP	1.00 HR		\$7.50	\$76.65	\$0.00	\$8.92	\$93.07
<b>SUBTOTAL</b>		<b>1.91 HR</b>		<b>\$14.55</b>	<b>\$102.69</b>	<b>\$8.91</b>	<b>\$48.83</b>	<b>\$174.98</b>

HARVEST OPERATIONS								
COMBINE (CUSTOM)				\$28.43				\$28.43
HAUL (CUSTOM)				\$12.35				\$12.35
<b>SUBTOTAL</b>				<b>\$40.78</b>				<b>\$40.78</b>

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				\$32.34				\$32.34
OTHER EXPENSES				\$57.89				\$57.89
<b>SUBTOTAL</b>		<b>0.22 HR</b>		<b>\$58.19</b>	<b>\$36.63</b>		<b>\$109.00</b>	<b>\$203.81</b>

<b>TOTAL OPERATING EXPENSES</b>		<b>2.13 HR</b>		<b>\$223.77</b>	<b>\$51.18</b>	<b>\$102.69</b>	<b>\$8.91</b>	<b>\$157.83</b>	<b>\$544.37</b>
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<b>NET OPERATING PROFIT</b>									<b>(\$103.12)</b>
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INTEREST ON OPERATING CAPITAL	(	\$93.70	@	5.75%	)				\$5.39
INTEREST ON EQUIPMENT INVESTMENT									\$20.01

<b>RETURN TO LAND AND RISK</b>									<b>(\$128.52)</b>
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\* Pump water costs are shown under irrigation in the preharvest operations section.

**BUDGET SUMMARY**

GROSS RETURN		\$441.25		
VARIABLE OPERATING EXPENSES	\$335.36			
RETURN OVER VARIABLE EXPENSES	\$105.89	(GROSS MARGIN)		
FIXED EXPENSES	\$157.83			
NET FARM INCOME		(\$51.94)	(RETURN TO CAPITAL, LABOR, LAND & RISK)	
LABOR AND MANAGEMENT COST	\$51.18			
NET OPERATING PROFIT		(\$103.12)	(RETURN TO CAPITAL, LAND & RISK)	
CAPITAL COSTS	\$25.40			
<b>RETURN TO LAND AND RISK</b>		<b>(\$128.52)</b>		

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

	WHEAT	GRAIN SORGHUM
	BUSHELS	CWT
PRIMARY YIELD	90.00	65.00
PRIMARY PRICE	\$4.75	\$6.65
GOVERNMENT PAYMENTS	\$0.00	\$0.00
SECOND INCOME	\$40.00 ACRE	\$9.00 ACRE
GROSS RETURN	\$467.50	\$441.25
CASH OPERATING EXPENSES		
SEED	\$29.60	\$11.25
FERTILIZER	\$71.50	\$96.00
CHEMICALS	\$21.17	\$17.25
CROP INSURANCE	\$0.15	\$0.29
OTHER PURCHASED INPUTS		
CANAL WATER		
FUEL, OIL & LUBRICANTS-EQUIPMENT	\$19.46	\$26.03
FUEL-IRRIGATION	\$47.91	\$76.65
REPAIRS	\$7.07	\$8.91
CUSTOM CHARGES	\$41.80	\$40.78
LAND TAXES	\$109.00	\$109.00
OTHER EXPENSES	\$58.10	\$58.19
TOTAL CASH EXPENSES	\$405.75	\$444.36
RETURN OVER CASH EXPENSES	\$61.75	(\$3.11)
FIXED EXPENSES	\$30.37	\$48.83
TOTAL EXPENSES	\$436.13	\$493.19
NET FARM INCOME	\$31.37	(\$51.94)
LABOR AND MANAGEMENT COSTS	\$47.19	\$51.18
NET OPERATING PROFIT	(\$15.82)	(\$103.12)
CAPITAL COSTS		
INTEREST ON OPERATING CAPITAL	\$4.79	\$5.39
INTEREST ON EQUIPMENT INVESTMENT	\$12.58	\$20.01
TOTAL CAPITAL COSTS	\$17.37	\$25.40
RETURN TO LAND AND RISK	(\$33.18)	(\$128.52)

Flex Computation 9.77 -59.68

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

GROSS RETURNS		
WHEAT	255 ACRES	
CROP		\$109,013
GRAZING		\$10,200
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>\$194,225</u>
CASH OPERATING EXPENSES		
SEED		\$11,681
FERTILIZER		\$39,915
CHEMICALS		\$9,920
CROP INSURANCE		\$100
OTHER PURCHASED INPUTS		\$0
CANAL WATER		\$0
FUEL, OIL & LUBRICANTS-EQUIPMENT		\$10,846
FUEL-IRRIGATION		\$28,841
REPAIRS		\$3,846
CUSTOM CHARGES		\$20,727
LAND TAXES		\$54,500
OTHER EXPENSES		\$29,065
TOTAL CASH EXPENSES		<u>\$209,440</u>
RETURN OVER CASH EXPENSES		(\$15,215)
FIXED EXPENSES		\$18,324
TOTAL EXPENSES		\$227,764
NET FARM INCOME		(\$33,539)
LABOR AND MANAGEMENT COSTS		\$24,273
NET OPERATING PROFIT		(\$57,813)
CAPITAL COSTS		
INTEREST ON OPERATING CAPITAL		\$2,497
INTEREST ON EQUIPMENT INVESTMENT		\$7,552
TOTAL CAPITAL COSTS		<u>\$10,049</u>
RETURN TO LAND AND RISK		<u>(\$67,861)</u>

LAND VALUE	RETURN TO RISK*	RETURN ON INVESTMENT**
\$500 /ACRE	(\$77,461)	-12.83%
\$1,000 /ACRE	(\$87,061)	-7.50%
\$1,500 /ACRE	(\$96,661)	-5.30%
\$2,000 /ACRE	(\$106,261)	-4.10%
\$2,500 /ACRE	(\$115,861)	-3.34%

\* 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)