

TABLE 1. Acreage Summary, Curry County,
Projected 2019

BUDGET AREA.....CURRY COUNTY			
FARM SIZE.....640 ACRES			
IRRIGATION TYPE.....SPRINKLER			
NUMBER OF CROPS..... 2			
		WATER USE	
		AC. IN.	TOTAL
ACREAGE SUMMARY:		PER ACRE	AC. IN.
WHEAT	255	10	2,550
ARP	0		
FLEX IN WHEAT	45	10	450
GRAIN SORGHUM	170	16	2,720
ARP	0		
FLEX IN WHEAT	30	10	300
CORNERS, ROADS, HOMESTEAD	140		
TOTAL	640		6,020
ACRE FEET PER ACRE OF WATER RIGHTS			0.78

TABLE 2. Basic cost information for Curry County,
Projected 2019

Item			
Labor Wage Rate:			
Equipment operators		\$/hour	\$7.75
General Irrigators		\$/hour	\$7.50
Purchased Inputs:			
Fertilizer:			
Nitrogen (N)		\$/pound	\$0.42
Phosphate (P205)		\$/pound	\$0.49
Seed:			
Grain Sorghum		\$/pound	\$2.05
Wheat		\$/pound	\$0.40
Diesel fuel		\$/gallon	\$2.65
Gasoline		\$/gallon	\$2.35
Electricity (SWPS)		cents/Kwh	7.74
LP gas		\$/gallon	\$2.55
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)	\$0.75
Personal Property Tax Rate	- NR - R	\$/\$1,000 (Assessed Value)	\$20.61 \$20.29
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 2019

Item			
Electricity (Domestic & Shop)		\$256.00 per month	\$3,072
Telephone		\$128.00 per month	\$1,536
Accounting & Legal			\$1,875
Misc. Supplies & Hand Tools			\$2,810
Pickup and Auto			
miles	25,600	@	\$0.500 per mile
Insurance			
- general liability (non-employee)			\$2,522
- fire/theft			\$2,022
Property Taxes			
- non-planted land			\$0
- other than land & machinery			\$0
Building repairs and maintenance			\$1,670
Dues, fees, publications			\$448
Farmstead Equipment			\$192
		Total	\$28,947
		Total Per Planted Acre	\$57.89

TABLE 6. Wheat, sprinkler-irrigated, budgeted per acre costs and returns for a 640 acre farm with above average management, Curry County,
 Projected 2019
 Planting Dates: August 15 - September 15
 Harvesting Dates: June 15 - July 15

ITEM	PRICE	YIELD	BASE	TOTAL
GROSS RETURNS				
WHEAT	\$5.10	75.00 BUSHELS		\$382.50
PROGRAM PAYMENT	\$0.00	75.00 BUSHELS	0.85	\$0.00
PLC PAYMENT	\$0.00			\$0.00
GRAZING	\$40.00	1.00 ACRE		\$40.00
TOTAL				\$422.50

PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS	FIXED COST	TOTAL
SEED	\$0.40	80 LBS	\$32.00		\$32.00
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
SUBTOTAL			\$124.82		\$124.82

PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
CHISEL	185 HP	0.15 HR		\$1.16	\$4.12	\$1.15	\$4.34	\$10.77
DISC (3X)	185 HP	0.33 HR		\$2.56	\$9.06	\$4.92	\$10.64	\$27.18
FERT S SPREADER	140 HP	0.05 HR		\$0.39	\$1.04	\$0.21	\$2.10	\$3.74
DRILL	140 HP	0.13 HR		\$1.01	\$2.69	\$0.78	\$7.72	\$12.20
IRRIGATE (7X)		0.70 HR		\$5.25	\$47.91	\$0.00	\$5.57	\$58.73
SUBTOTAL		1.36 HR		\$10.37	\$64.81	\$7.07	\$30.37	\$112.61

HARVEST OPERATIONS

COMBINE (CUSTOM)			\$24.55					\$24.55
HAUL (CUSTOM)			\$12.00					\$12.00
SUBTOTAL			\$36.55					\$36.55

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				\$30.53				\$30.53
OTHER EXPENSES			\$57.89					\$57.89
SUBTOTAL		0.17 HR	\$58.10	\$33.67		\$0.75		\$92.53

TOTAL OPERATING EXPENSES		1.53 HR	\$219.47	\$44.04	\$64.81	\$7.07	\$31.12	\$366.51
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NET OPERATING PROFIT								\$55.99
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INTEREST ON OPERATING CAPITAL	(\$83.43	@	5.50%)			\$4.59
INTEREST ON EQUIPMENT INVESTMENT								\$12.03

RETURN TO LAND AND RISK								\$39.37
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* Pump water costs are shown under irrigation in the preharvest operations section.
 BUDGET SUMMARY

GROSS RETURN		\$422.50	
VARIABLE OPERATING EXPENSES	\$291.35		
RETURN OVER VARIABLE EXPENSES	\$131.15	(GROSS MARGIN)	
FIXED EXPENSES	\$31.12		
NET FARM INCOME	\$100.03	(RETURN TO CAPITAL, LABOR, LAND & RISK)	
LABOR AND MANAGEMENT COST	\$44.04		
NET OPERATING PROFIT	\$55.99	(RETURN TO CAPITAL, LAND & RISK)	
CAPITAL COSTS	\$16.62		
RETURN TO LAND AND RISK		\$39.37	

TABLE 7. Grain sorghum, sprinkler-irrigated, budgeted per acre costs and returns for a 640 acre farm with above average management, Curry County, Projected 2019
 Planting Dates: May 15 - June 15
 Harvesting Dates: October 15 - November 15

ITEM	PRICE	YIELD	BASE	TOTAL
GROSS RETURNS				
GRAIN SORGHUM	\$6.33	65.00 CWT		\$411.13
PROGRAM PAYMENT	\$0.00	65.00 CWT	0.85	\$0.00
PLC PAYMENT	\$0.00	0.00 CWT		\$0.00
GRAZING	\$16.00	1.00 ACRE		\$16.00
TOTAL				\$427.13

PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS	FIXED COST	TOTAL
SEED	\$2.05	5 LBS	\$10.25		\$10.25
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
SUBTOTAL			\$123.80		\$123.80

PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
DISC	185 HP	0.11 HR		\$0.85	\$3.02	\$1.64	\$3.55	\$9.06
CHISEL	185 HP	0.15 HR		\$1.16	\$4.12	\$1.15	\$4.34	\$10.77
DISC (2X)	185 HP	0.22 HR		\$1.71	\$6.04	\$3.28	\$7.09	\$18.12
FERT SPREADER	140 HP	0.05 HR		\$0.39	\$1.04	\$0.21	\$2.10	\$3.74
ROD WEEDER	185 HP	0.08 HR		\$0.62	\$2.20	\$0.51	\$2.59	\$5.91
PLANT ER	140 HP	0.17 HR		\$1.32	\$3.52	\$1.07	\$12.31	\$18.22
CULTIVATOR	140 HP	0.13 HR		\$1.01	\$2.69	\$1.04	\$7.93	\$12.67
IRRIGATE (10X)	140 HP	1.00 HR		\$7.50	\$76.65	\$0.00	\$8.92	\$93.07
SUBTOTAL		1.91 HR		\$14.55	\$99.27	\$8.91	\$48.83	\$171.57

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

OVERHEAD EXPENSES								
DOWNTIME		0.22 HR		\$1.67				\$1.67
EMPLOYEE BENEFITS				\$2.62				\$2.62
INSURANCE				\$0.29				\$0.29
LAND TAXES							\$0.75	\$0.75
SUPERVISION AND MANAGEMENT				\$31.35				\$31.35
OTHER EXPENSES				\$57.89				\$57.89
SUBTOTAL		0.22 HR		\$58.19	\$35.64		\$0.75	\$94.57

TOTAL OPERATING EXPENSES		2.13 HR		\$222.77	\$50.19	\$99.27	\$8.91	\$49.58	\$430.72
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NET OPERATING PROFIT (\$3.60)

INTEREST ON OPERATING CAPITAL	(\$92.34	@	5.50%)				\$5.08
INTEREST ON EQUIPMENT INVESTMENT									\$19.14

RETURN TO LAND AND RISK (\$27.82)

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

BUDGET SUMMARY				
GROSS RETURN		\$427.13		
VARIABLE OPERATING EXPENSES	\$330.95			
RETURN OVER VARIABLE EXPENSES	\$96.18	(GROSS MARGIN)		
FIXED EXPENSES	\$49.58			
NET FARM INCOME	\$46.60	(RETURN TO CAPITAL, LABOR, LAND & RISK)		
LABOR AND MANAGEMENT COST	\$50.19			
NET OPERATING PROFIT	(\$3.60)	(RETURN TO CAPITAL, LAND & RISK)		
CAPITAL COSTS	\$24.22			
RETURN TO LAND AND RISK		(\$27.82)		

TABLE 8. Summary of per acre costs and returns for a 640 acre farm with above average management, Curry County, Projected 2019

	WHEAT	GRAIN SORGHUM
	BUSHELS	CWT
PRIMARY YIELD	75.00	65.00
PRIMARY PRICE	\$5.10	\$6.33
GOVERNMENT PAYMENTS	\$0.00	\$0.00
SECOND INCOME	\$40.00 ACRE	\$16.00 ACRE
GROSS RETURN	\$422.50	\$427.13
CASH OPERATING EXPENSES		
SEED	\$32.00	\$10.25
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	\$16.90	\$22.62
FUEL-IRRIGATION	\$47.91	\$76.65
REPAIRS	\$7.07	\$8.91
CUSTOM CHARGES	\$36.55	\$40.78
LAND TAXES	\$0.75	\$0.75
OTHER EXPENSES	\$58.10	\$58.19
TOTAL CASH EXPENSES	\$292.10	\$331.70
RETURN OVER CASH EXPENSES	\$130.40	\$95.43
FIXED EXPENSES	\$30.37	\$48.83
TOTAL EXPENSES	\$322.47	\$380.53
NET FARM INCOME	\$100.03	\$46.60
LABOR AND MANAGEMENT COSTS	\$44.04	\$50.19
NET OPERATING PROFIT	\$55.99	(\$3.60)
CAPITAL COSTS		
INTEREST ON OPERATING CAPITAL	\$4.59	\$5.08
INTEREST ON EQUIPMENT INVESTMENT	\$12.03	\$19.14
TOTAL CAPITAL COSTS	\$16.62	\$24.22
RETURN TO LAND AND RISK	\$39.37	(\$27.82)

Flex Computation 81.77 40.16

TABLE 9. Whole farm summary, Curry County,
Projected 2019

GROSS RETURNS		
WHEAT	255 ACRES	
CROP		\$97,538
GRAZING		\$10,200
PROGRAM PAYMENT		\$0
PLC PAYMENT		\$0
GRAIN SORGHUM	170 ACRES	
CROP		\$69,891
GRAZING		\$2,720
PROGRAM PAYMENT		\$0
PLC PAYMENT		\$0
GROSS RETURN		<u>\$180,349</u>
CASH OPERATING EXPENSES		
SEED		\$12,303
FERTILIZER		\$39,915
CHEMICALS		\$9,920
CROP INSURANCE		\$100
OTHER PURCHASED INPUTS		\$0
CANAL WATER		\$0
FUEL, OIL & LUBRICANTS-EQUIPMENT		\$9,424
FUEL-IRRIGATION		\$28,841
REPAIRS		\$3,846
CUSTOM CHARGES		\$18,995
LAND TAXES		\$375
OTHER EXPENSES		\$29,065
TOTAL CASH EXPENSES		<u>\$152,782</u>
RETURN OVER CASH EXPENSES		\$27,567
FIXED EXPENSES		\$18,324
TOTAL EXPENSES		\$171,107
NET FARM INCOME		\$9,242
LABOR AND MANAGEMENT COSTS		\$23,066
NET OPERATING PROFIT		(\$13,823)
CAPITAL COSTS		
INTEREST ON OPERATING CAPITAL		\$2,378
INTEREST ON EQUIPMENT INVESTMENT		\$7,224
TOTAL CAPITAL COSTS		<u>\$9,601</u>
RETURN TO LAND AND RISK		<u>(\$23,425)</u>

LAND VALUE	RETURN TO RISK*	RETURN ON INVESTMENT**
\$500 /ACRE	(\$33,025)	-3.07%
\$1,000 /ACRE	(\$42,625)	-1.79%
\$1,500 /ACRE	(\$52,225)	-1.27%
\$2,000 /ACRE	(\$61,825)	-0.98%
\$2,500 /ACRE	(\$71,425)	-0.80%

* 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)