

TABLE 1. Basic cost information for De Baca County, 2003.

| ===== | | | |
|---------------------------------|------------------------------|--|---------|
| Item | | | |
| ----- | | | |
| Labor Wage Rate: | | | |
| Equipment operators | \$/hour | | \$6.75 |
| General & Irrigators | \$/hour | | \$6.45 |
| Purchased Inputs: | | | |
| Fertilizer: | | | |
| Nitrogen (N) | \$/pound | | \$0.36 |
| Phosphate (P205) | \$/pound | | \$0.33 |
| Seed: | | | |
| Alfalfa | \$/pound | | \$3.00 |
| Wheat | \$/pound | | \$0.13 |
| Oat Hay | \$/pound | | 0.4 |
| Hygear | \$/pound | | 0.6 |
| LP | | | \$1.21 |
| Baling wire | \$/pound | | \$0.39 |
| Canal water | \$/acre | | \$42.50 |
| Energy: | | | |
| Natural gas | \$/MCF | | 3.28 |
| Diesel fuel | \$/gallon | | \$1.30 |
| Gasoline | \$/gallon | | \$1.35 |
| Electricity (Farmers Elec Coop) | cents/KwHr | | \$9.55 |
| Employee Liability Insurance | \$/ \$1,000 wages | | 25.00% |
| Employee Benefits | percent/w ages | | 0.25 |
| Labor Downtime | percent | | 25.00% |
| Financial Rates: | | | |
| Operating Capital Interest Rate | percent | | 8.00% |
| Land Interest Rate | percent | | 7.00% |
| Equipment Interest Rate | percent | | 8.00% |
| Real Interest Rate | percent | | 4.00% |
| Land Taxes | \$75.00 /acre (full value) | | |
| Personal Property Tax Rate - NR | \$/ \$1,000 (Assessed Value) | | \$24.18 |
| - R | | | \$24.06 |
| Supervision Factors | | | |
| Field Crop-Irrigation | \$/labor hour | | 0.07 |
| Field Crop-Equipment & General | \$/labor hour | | 0.1 |
| Management Rate | percent | | 7.00% |

TABLE 1a. Overhead cost information for De Baca County, 2003.

| ===== | | | | |
|------------------------------------|-------|---|------------------------|---------|
| ITEM | | | | |
| ----- | | | | |
| Electricity (Domestic & Shop) | | | \$106.00 per month | \$1,272 |
| Telephone | | | \$82.00 per month | \$984 |
| Accounting & Legal | | | | \$450 |
| Misc. Supplies & Hand Tools | | | | \$730 |
| Pickup and Auto | | | | |
| miles | 2,100 | @ | \$0.365 per mile | \$767 |
| Insurance | | | | |
| - general liability (non-employee) | | | | \$950 |
| - fire/theft | | | | \$625 |
| Property Taxes | | | | |
| - non-planted land | | | | \$30 |
| - other than land & machinery | | | | \$295 |
| Building repairs and maintenance | | | | \$475 |
| Dues, fees, publications | | | | \$250 |
| Farmstead Equipment | | | | \$165 |
| | | | Total | \$6,992 |
| | | | | ===== |
| | | | Total Per Planted Acre | \$73.60 |
| ----- | | | | |

TABLE 2. Equipment summary for a 100 acre flood-irrigated farm with above average management, De Baca County, 2003.

| EQUIPMENT ITEM & SIZE | ANNUAL | | VARIABLE COSTS | | | | | FIXED COSTS | | |
|--------------------------|-----------------|--------|----------------|-----------------------|--------|---------------------|------------------|-------------------|-------|-------------------|
| | HOURS OF USE | NUMBEI | TOTAL VALUE | FUEL AND LUBRICANT | REPAIR | FUEL,LUBE PER HR | REPAIR PER HR | DEPRE- CIATION | TAXES | TOTAL PER HOUR |
| TRACTOR 65 HP | 269 | 1 | \$2,400 | \$1,766 | \$302 | \$6.56 | \$1.12 | \$138 | \$22 | \$0.59 |
| FLOAT 10 FT | 3 | 1 | \$450 | | \$0 | | \$0.01 | \$47 | \$3 | \$15.86 |
| SWATHER 14 FT (OLD) | 56 | 1 | \$2,400 | \$274 | \$71 | \$4.87 | \$1.26 | \$700 | \$56 | \$13.43 |
| BALER PTO 2-WIRE | 74 | 1 | \$1,500 | | \$83 | | \$1.12 | \$385 | \$31 | \$5.63 |
| PLOW 2-16 IN | 60 | 1 | \$250 | | \$10 | | \$0.16 | \$33 | \$2 | \$0.59 |
| DISC 12 FT | 17 | 1 | \$2,250 | | \$33 | | \$1.94 | \$300 | \$18 | \$18.71 |
| DRILL 10 FT | 14 | 1 | \$1,800 | | \$19 | | \$1.37 | \$360 | \$15 | \$26.28 |
| LAND PLANE 12 FT | 23 | 1 | \$2,500 | | \$7 | | \$0.30 | \$333 | \$20 | \$15.34 |
| BALEWAGON, PTO | 70 | 1 | \$4,200 | | \$417 | | \$5.92 | \$800 | \$64 | \$12.28 |
| BORDER DISC 6 DISC | 2 | 1 | \$750 | | \$2 | | \$0.93 | \$100 | \$6 | \$53.02 |
| FERT SPREADER | 5 | 1 | \$1,200 | | \$3 | | \$0.46 | \$153 | \$9 | \$29.84 |
| | | | \$19,700 | \$2,040 | \$945 | | | \$3,349 | \$247 | |

TABLE 3. Alfalfa establishment, flood-irrigated, budgeted per acre costs and returns for a 100 acre farm with above average management, De Baca County, 2003.
Planting Dates: August 25 - September 30

| ITEM | PRICE | QUANTITY | PURCHASED INPUTS | | | | | TOTAL |
|----------------------------|------------|---------------------|------------------|---------|-------------|---------|------------|----------|
| <u>PURCHASED INPUTS</u> | | | | | | | | |
| SEED | \$3.00 | 25 LBS | | | | | | \$75.00 |
| CANAL WATER | | 12 AC. IN. | | | | | | |
| SUBTOTAL | | | | | | | | \$75.00 |
| PREHARVEST OPERATIONS | POWER UNIT | ACCOMPLISHMENT RATE | PURCHASED INPUTS | LABOR | FUEL & LUBE | REPAIRS | FIXED COST | TOTAL |
| DISC | 65 HP | 0.17 HR | | \$1.15 | \$1.12 | \$0.52 | \$3.28 | \$6.07 |
| PLOW | 65 HP | 1.05 HR | | \$7.09 | \$6.89 | \$1.35 | \$1.24 | \$16.57 |
| DISC | 65 HP | 0.17 HR | | \$1.15 | \$1.12 | \$0.52 | \$3.28 | \$6.07 |
| LAND PLANE (4X) | 65 HP | 0.96 HR | | \$6.48 | \$6.30 | \$1.37 | \$15.30 | \$29.44 |
| DISC | 65 HP | 0.17 HR | | \$1.15 | \$1.12 | \$0.52 | \$3.28 | \$6.07 |
| BORDER DISC | 65 HP | 0.05 HR | | \$0.34 | \$0.33 | \$0.10 | \$2.68 | \$3.45 |
| FLOAT | 65 HP | 0.24 HR | | \$1.62 | \$1.58 | \$0.27 | \$3.95 | \$7.42 |
| DRILL | 65 HP | 0.25 HR | | \$1.69 | \$1.64 | \$0.62 | \$6.72 | \$10.67 |
| IRRIGATE (4X) | | 2.00 HR | | \$12.90 | | | | \$12.90 |
| SUBTOTAL | | 5.06 HR | | \$33.56 | \$20.08 | \$5.27 | \$39.74 | \$98.64 |
| <u>OVERHEAD EXPENSES</u> | | | | | | | | |
| DOWNTIME | | 0.77 HR | | \$5.16 | | | | \$5.16 |
| EMPLOYEE BENEFITS | | | | \$8.39 | | | | \$8.39 |
| INSURANCE | | | \$0.01 | | | | | \$0.01 |
| SUPERVISION AND MANAGEMENT | | | | \$12.60 | | | | \$12.60 |
| SUBTOTAL | | 0.77 HR | \$0.01 | \$26.15 | | | | \$26.16 |
| TOTAL OPERATING EXPENSES | | 5.83 HR | \$75.01 | \$59.71 | \$20.08 | \$5.27 | \$39.74 | \$199.81 |

TABLE 4. Alfalfa hay, flood-irrigated, budgeted per acre costs and returns for a 100 acre farm with above average management, De Baca County, 2003.
Harvesting Dates: May 20 - October 30

| ITEM | PRICE | YIELD | | | | | | TOTAL | |
|----------------------------------|------------|---------------------|------------------|-----------------|----------------|----------------|-----------------|-----------------|-----------------|
| GROSS RETURNS | | | | | | | | | |
| HAY | \$140.00 | 5.10 TONS (STACKED) | | | | | | \$714.00 | |
| GRAZING | \$12.50 | 1.00 ACRE | | | | | | \$12.50 | |
| TOTAL | | | | | | | \$726.50 | | |
| PURCHASED INPUTS | | | | | | | | | |
| PURCHASED INPUTS | PRICE | QUANTITY | PURCHASED INPUTS | | | | FIXED COST | TOTAL | |
| PHOSPHATE (P205) | \$0.33 | 130 LBS | \$42.90 | | | | | \$42.90 | |
| WIRE | \$0.39 | 43 LBS | \$16.77 | | | | | \$16.77 | |
| ESTABLISHMENT: Principal | | 5 YEARS | | | | | \$39.96 | \$39.96 | |
| : Interest | | | | | | | \$8.08 | \$8.08 | |
| INSECTICIDE (CUSTOM) | \$16.09 | 2 X/ACRE | \$32.18 | | | | | \$32.18 | |
| CANAL WATER | | 36 AC. IN. | \$42.50 | | | | | \$42.50 | |
| SUBTOTAL | | | \$134.35 | | | | \$48.04 | \$182.39 | |
| PREHARVEST OPERATIONS | | | | | | | | | |
| PREHARVEST OPERATIONS | POWER UNIT | ACCOMPLISHMENT RATE | PURCHASED INPUTS | LABOR | FUEL & LUBE | REPAIRS | FIXED COST | TOTAL | |
| FERT SPREADER | 65 HP | 0.05 HR | | \$0.34 | \$0.33 | \$0.08 | \$1.52 | \$2.27 | |
| IRRIGATE (8X) | | 4.00 HR | | \$25.80 | | | | \$25.80 | |
| SUBTOTAL | | 4.05 HR | | \$26.14 | \$0.33 | \$0.08 | \$1.52 | \$28.07 | |
| HARVEST OPERATIONS | | | | | | | | | |
| SWATHER (5X) | 14 FT | 0.80 HR | | \$5.40 | \$3.89 | \$1.01 | \$10.74 | \$21.05 | |
| BALER (5X) | 65 HP | 1.05 HR | | \$7.09 | \$6.89 | \$2.35 | \$6.53 | \$22.86 | |
| BALEWAGON PTO (5X) | 65 HP | 1.00 HR | | \$6.75 | \$6.56 | \$7.04 | \$12.87 | \$33.23 | |
| SUBTOTAL | | 2.85 HR | | \$19.24 | \$17.35 | \$10.40 | \$30.15 | \$77.14 | |
| OVERHEAD EXPENSES | | | | | | | | | |
| DOWNTIME | | 0.73 HR | | \$4.89 | | | | \$4.89 | |
| EMPLOYEE BENEFITS | | | | \$11.34 | | | | \$11.34 | |
| INSURANCE | | | \$0.01 | | | | \$0.00 | \$0.01 | |
| LAND TAXES | | | | | | | | \$0.00 | |
| SUPERVISION AND MANAGEMENT | | | | \$51.43 | | | | \$51.43 | |
| OTHER EXPENSES | | | \$73.60 | | | | | \$73.60 | |
| SUBTOTAL | | 0.73 HR | \$73.61 | \$67.66 | | | | \$0.00 | \$141.28 |
| TOTAL OPERATING EXPENSES | | 7.63 HR | \$207.96 | \$113.04 | \$17.68 | \$10.48 | \$79.71 | \$428.87 | |
| NET OPERATING PROFIT | | | | | | | \$297.63 | | |
| INTEREST ON OPERATING CAPITAL | (| \$69.59 | @ | 8.00% |) | | | \$5.57 | |
| INTEREST ON EQUIPMENT INVESTMENT | | | | | | | | \$23.98 | |
| RETURN TO LAND AND RISK | | | | | | | \$268.08 | | |

BUDGET SUMMARY

| | | | |
|-------------------------------|----------|----------|---|
| GROSS RETURN | | \$726.50 | |
| VARIABLE OPERATING EXPENSES | \$236.12 | | |
| RETURN OVER VARIABLE EXPENSES | | \$490.38 | (GROSS MARGIN) |
| FIXED EXPENSES | \$79.71 | | |
| NET FARM INCOME | | \$410.67 | (RETURN TO CAPITAL, LABOR, LAND & RISK) |
| LABOR AND MANAGEMENT COST | \$113.04 | | |
| NET OPERATING PROFIT | | \$297.63 | (RETURN TO CAPITAL, LAND & RISK) |
| CAPITAL COSTS | \$29.55 | | |
| RETURN TO LAND AND RISK | | \$268.08 | |

TABLE 5. Wheat for grain, flood-irrigated, budgeted per acre costs and returns for a 100 acre farm with above average management, De Baca County, 2003.
 Planting Dates: September 1 - October 15
 Harvesting Dates: June 20 - July 1

| ITEM | PRICE | YIELD | | | | | | | TOTAL |
|----------------------------------|------------|---------------------|------------------|---------|-------------|---------|------------|------------------|-----------------|
| GROSS RETURNS | | | | | | | | | |
| WHEAT FOR GRAIN | \$3.45 | 40.00 BUSHELS | | | | | | | \$138.00 |
| ASCS DEFICIENCY | \$0.474 | 40.00 BUSHELS | | | | | | | \$18.96 |
| COUNTER CYCLICAL PAYMENT | \$0.00 | | | | | | | | \$0.00 |
| GRAZING | \$25.00 | 1.00 ACRE | | | | | | | \$25.00 |
| TOTAL | | | | | | | | | \$181.96 |
| PURCHASED INPUTS | | | | | | | | | |
| PURCHASED INPUTS | PRICE | QUANTITY | PURCHASED INPUTS | | | | | | TOTAL |
| SEED | \$0.13 | 80 LBS | | \$10.40 | | | | | \$10.40 |
| NITROGEN (N) | \$0.36 | 60 LBS | | \$21.60 | | | | | \$21.60 |
| CANAL WATER | | 20 AC. IN. | | \$42.50 | | | | | \$42.50 |
| CROP INSURANCE | \$2.94 | | | \$2.94 | | | | | \$2.94 |
| SUBTOTAL | | | | \$77.44 | | | | | \$77.44 |
| PREHARVEST OPERATIONS | | | | | | | | | |
| PREHARVEST OPERATIONS | POWER UNIT | ACCOMPLISHMENT RATE | PURCHASED INPUTS | LABOR | FUEL & LUBE | REPAIRS | FIXED COST | TOTAL | |
| PLOW | 65 HP | 1.05 HR | | \$7.09 | \$6.89 | \$1.35 | \$1.24 | \$16.57 | |
| DISC | 65 HP | 0.17 HR | | \$1.15 | \$1.12 | \$0.52 | \$3.28 | \$6.07 | |
| FERT SPREADER | 65 HP | 0.05 HR | | \$0.34 | \$0.33 | \$0.08 | \$1.52 | \$2.27 | |
| LAND PLANE | 65 HP | 0.24 HR | | \$1.62 | \$1.58 | \$0.34 | \$3.82 | \$7.36 | |
| BORDER DISC | 65 HP | 0.05 HR | | \$0.34 | \$0.33 | \$0.10 | \$2.68 | \$3.45 | |
| DRILL | 65 HP | 0.25 HR | | \$1.69 | \$1.64 | \$0.62 | \$6.72 | \$10.67 | |
| IRRIGATE (5X) | | 2.50 HR | | \$16.13 | | | | \$16.13 | |
| SUBTOTAL | | 4.31 HR | \$0.00 | \$28.34 | \$11.88 | \$3.01 | \$19.27 | \$62.51 | |
| HARVEST OPERATIONS | | | | | | | | | |
| COMBINE (CUSTOM) | | | | \$14.70 | | | | | \$14.70 |
| HAUL (CUSTOM) | | | | \$6.80 | | | | | \$6.80 |
| SUBTOTAL | | | | \$21.50 | | | | | \$21.50 |
| OVERHEAD EXPENSES | | | | | | | | | |
| DOWNTIME | | 0.45 HR | | \$3.05 | | | | | \$3.05 |
| EMPLOYEE BENEFITS | | | | \$7.09 | | | | | \$7.09 |
| INSURANCE | | | \$0.01 | | | | | | \$0.01 |
| LAND TAXES | | | | | | | \$0.00 | \$0.00 | |
| SUPERVISION AND MANAGEMENT | | | | \$13.09 | | | | | \$13.09 |
| OTHER EXPENSES | | | | \$73.60 | | | | | \$73.60 |
| SUBTOTAL | | 0.45 HR | \$73.61 | \$23.23 | | | \$0.00 | \$96.84 | |
| TOTAL OPERATING EXPENSES | | 4.76 HR | \$172.55 | \$51.58 | \$11.88 | \$3.01 | \$19.27 | \$258.29 | |
| NET OPERATING PROFIT | | | | | | | | (\$76.33) | |
| INTEREST ON OPERATING CAPITAL | (| \$44.24 | @ | 8.00% |) | | | \$3.54 | |
| INTEREST ON EQUIPMENT INVESTMENT | | | | | | | | \$10.58 | |
| RETURN TO LAND AND RISK | | | | | | | | (\$90.45) | |

BUDGET SUMMARY

| | | | |
|-------------------------------|----------|-----------|---|
| GROSS RETURN | | \$181.96 | |
| VARIABLE OPERATING EXPENSES | \$187.44 | | |
| RETURN OVER VARIABLE EXPENSES | | (\$5.48) | (GROSS MARGIN) |
| FIXED EXPENSES | \$19.27 | | |
| NET FARM INCOME | | (\$24.75) | (RETURN TO CAPITAL, LABOR, LAND & RISK) |
| LABOR AND MANAGEMENT COST | \$51.58 | | |
| NET OPERATING PROFIT | | (\$76.33) | (RETURN TO CAPITAL, LAND & RISK) |
| CAPITAL COSTS | \$14.12 | | |
| RETURN TO LAND AND RISK | | (\$90.45) | |

TABLE 6. Oat hay, flood-irrigated, budgeted per acre costs and returns for a 100 acre farm with above average management, De Baca County, 2003.
 Planting dates: March 1 - March 15
 Harvesting Dates: July 1 - July 15

| ITEM | PRICE | YIELD | | | | | | | TOTAL | |
|----------------------------------|------------|---------------------|----------------|------------------|---------|-------------|---------|------------|----------|----------|
| GROSS RETURNS | | | | | | | | | | |
| OAT HAY | \$130.00 | 4.00 | TONS (STACKED) | | | | | | | \$520.00 |
| TOTAL | | | | | | | | | \$520.00 | |
| PURCHASED INPUTS | | | | | | | | | | |
| PURCHASED INPUTS | PRICE | QUANTITY | | PURCHASED INPUTS | | | | | | TOTAL |
| SEED | \$0.40 | 100 | LBS | \$40.00 | | | | | | \$40.00 |
| NITROGEN (N) | \$0.36 | 40 | LBS | \$14.40 | | | | | | \$14.40 |
| WIRE | \$0.39 | 34 | LBS | \$13.37 | | | | | | \$13.37 |
| CANAL WATER | | 20 | AC. IN. | \$42.50 | | | | | | \$42.50 |
| SUBTOTAL | | | | \$110.27 | | | | | | \$110.27 |
| PREHARVEST OPERATIONS | POWER UNIT | ACCOMPLISHMENT RATE | | PURCHASED INPUTS | LABOR | FUEL & LUBE | REPAIRS | FIXED COST | TOTAL | |
| PLOW | 65 HP | 1.05 | HR | | \$7.09 | \$6.89 | \$1.35 | \$1.24 | \$16.57 | |
| DISC | 65 HP | 0.17 | HR | | \$1.15 | \$1.12 | \$0.52 | \$3.28 | \$6.07 | |
| FERT SPREADER | 65 HP | 0.05 | HR | | \$0.34 | \$0.33 | \$0.08 | \$1.52 | \$2.27 | |
| LAND PLANE | 65 HP | 0.24 | HR | | \$1.62 | \$1.58 | \$0.34 | \$3.82 | \$7.36 | |
| BORDER DISC | 65 HP | 0.05 | HR | | \$0.34 | \$0.33 | \$0.10 | \$2.68 | \$3.45 | |
| DRILL | 65 HP | 0.25 | HR | | \$1.69 | \$1.64 | \$0.62 | \$6.72 | \$10.67 | |
| IRRIGATE (5X) | | 2.50 | HR | | \$16.13 | | | | \$16.13 | |
| SUBTOTAL | | 4.31 | HR | | \$28.34 | \$11.88 | \$3.01 | \$19.27 | \$62.51 | |
| HARVEST OPERATIONS | | | | | | | | | | |
| SWATHER | 14 FT | 0.16 | HR | | \$1.08 | \$0.78 | \$0.20 | \$2.15 | \$4.21 | |
| BALER | 65 HP | 0.21 | HR | | \$1.42 | \$1.38 | \$0.47 | \$1.31 | \$4.57 | |
| BALEWAGON | 65 HP | 0.20 | HR | | \$1.35 | \$1.31 | \$1.41 | \$2.57 | \$6.65 | |
| SUBTOTAL | | 0.57 | HR | | \$3.85 | \$3.47 | \$2.08 | \$6.03 | \$15.43 | |
| OVERHEAD EXPENSES | | | | | | | | | | |
| DOWNTIME | | 0.60 | HR | | \$4.02 | | | | \$4.02 | |
| EMPLOYEE BENEFITS | | | | | \$8.05 | | | | \$8.05 | |
| INSURANCE | | | | \$0.01 | | | | | \$0.01 | |
| LAND TAXES | | | | | | | \$0.00 | | \$0.00 | |
| SUPERVISION AND MANAGEMENT | | | | | \$37.33 | | | | \$37.33 | |
| OTHER EXPENSES | | | | \$36.80 | | | | | \$36.80 | |
| SUBTOTAL | | 0.60 | HR | \$36.81 | \$49.39 | | \$0.00 | | \$86.20 | |
| TOTAL OPERATING EXPENSES | | 5.48 | HR | \$147.08 | \$81.58 | \$15.35 | \$5.09 | \$25.30 | \$274.40 | |
| NET OPERATING PROFIT | | | | | | | | | \$245.60 | |
| INTEREST ON OPERATING CAPITAL | (| \$59.32 | @ | 8.00% |) | | | | | \$4.75 |
| INTEREST ON EQUIPMENT INVESTMENT | | | | | | | | | | \$15.20 |
| RETURN TO LAND AND RISK | | | | | | | | | \$225.65 | |

BUDGET SUMMARY

| | | | |
|-------------------------------|----------|---|--|
| GROSS RETURN | | \$520.00 | |
| VARIABLE OPERATING EXPENSES | \$167.52 | | |
| RETURN OVER VARIABLE EXPENSES | \$352.48 | (GROSS MARGIN) | |
| FIXED EXPENSES | \$25.30 | | |
| NET FARM INCOME | \$327.18 | (RETURN TO CAPITAL, LABOR, LAND & RISK) | |
| LABOR AND MANAGEMENT COST | \$81.58 | | |
| NET OPERATING PROFIT | \$245.60 | (RETURN TO CAPITAL, LAND & RISK) | |
| CAPITAL COSTS | \$19.95 | | |
| RETURN TO LAND AND RISK | \$225.65 | | |

TABLE 7. Hygear, flood-irrigated, budgeted per acre costs and returns for a 100 acre farm with above average management, De Baca County, 2003.
 Planting Dates: July 5 - July 20
 Harvesting Dates: September 15 - October 15

| ITEM | PRICE | YIELD | | | | | | | TOTAL | |
|----------------------------------|------------|---------------------|----------------|------------------|----------|-------------|---------|------------|----------|----------|
| GROSS RETURNS | | | | | | | | | | |
| HYGEAR | \$105.00 | 4.50 | TONS (STACKED) | | | | | | | \$472.50 |
| TOTAL | | | | | | | | | \$472.50 | |
| PURCHASED INPUTS | | | | | | | | | | |
| PURCHASED INPUTS | PRICE | QUANTITY | | PURCHASED INPUTS | | | | | | TOTAL |
| SEED | \$0.60 | 70 | LBS | \$42.00 | | | | | | \$42.00 |
| NITROGEN (N) | \$0.36 | 40 | LBS | \$14.40 | | | | | | \$14.40 |
| CANAL WATER | | 12 | AC. IN. | \$21.25 | | | | | | \$21.25 |
| SUBTOTAL | | | | \$77.65 | | | | | | \$77.65 |
| PREHARVEST OPERATIONS | POWER UNIT | ACCOMPLISHMENT RATE | | PURCHASED INPUTS | LABOR | FUEL & LUBE | REPAIRS | FIXED COST | TOTAL | |
| PLOW | 65 HP | 1.05 | HR | | \$7.09 | \$6.89 | \$1.35 | \$1.24 | \$16.57 | |
| DISC (2X) | 65 HP | 0.34 | HR | | \$2.30 | \$2.23 | \$1.04 | \$6.56 | \$12.13 | |
| FERT SPREADER | 65 HP | 0.05 | HR | | \$0.34 | \$0.33 | \$0.08 | \$1.52 | \$2.27 | |
| LAND PLANE | 65 HP | 0.24 | HR | | \$1.55 | \$1.58 | \$0.34 | \$3.82 | \$7.29 | |
| DRILL | 65 HP | 0.25 | HR | | \$1.69 | \$1.64 | \$0.62 | \$6.72 | \$10.67 | |
| IRRIGATE (4X) | | 2.00 | HR | | \$12.90 | | | | \$12.90 | |
| SUBTOTAL | | 3.93 | HR | | \$25.86 | \$12.67 | \$3.43 | \$19.87 | \$61.82 | |
| HARVEST OPERATIONS | | | | | | | | | | |
| SWATHER | 14 FT | 0.16 | HR | | \$1.03 | \$0.78 | \$0.20 | \$2.15 | \$4.16 | |
| BALER | 65 HP | 0.21 | HR | | \$1.35 | \$1.38 | \$0.47 | \$1.31 | \$4.51 | |
| BALE WAGON | 65 HP | 0.20 | HR | | \$1.29 | \$1.31 | \$1.41 | \$2.57 | \$6.59 | |
| SUBTOTAL | | 0.57 | HR | | \$0.00 | \$3.68 | \$3.47 | \$2.08 | \$6.03 | \$15.26 |
| OVERHEAD EXPENSES | | | | | | | | | | |
| DOWNTIME | | 1.05 | HR | | \$7.10 | | | | \$7.10 | |
| EMPLOYEE BENEFITS | | | | | \$7.38 | | | | \$7.38 | |
| INSURANCE | | | | | \$0.01 | | | | \$0.01 | |
| LAND TAXES | | | | | | | | \$0.00 | \$0.00 | |
| SUPERVISION AND MANAGEMENT | | | | | \$33.47 | | | | \$33.47 | |
| OTHER EXPENSES | | | | | \$36.80 | | | | \$36.80 | |
| SUBTOTAL | | 1.05 | HR | | \$36.81 | \$47.95 | | \$0.00 | \$84.76 | |
| TOTAL OPERATING EXPENSES | | 5.55 | HR | | \$114.46 | \$77.48 | \$16.14 | \$5.51 | \$25.90 | \$239.49 |
| NET OPERATING PROFIT | | | | | | | | | \$233.01 | |
| INTEREST ON OPERATING CAPITAL | (| \$43.31 | @ | 8.00% |) | | | | | \$3.46 |
| INTEREST ON EQUIPMENT INVESTMENT | | | | | | | | | | \$15.60 |
| RETURN TO LAND AND RISK | | | | | | | | | \$213.94 | |

BUDGET SUMMARY

| | | | |
|-------------------------------|----------|----------|---|
| GROSS RETURN | | \$472.50 | |
| VARIABLE OPERATING EXPENSES | \$136.10 | | |
| RETURN OVER VARIABLE EXPENSES | | \$336.40 | (GROSS MARGIN) |
| FIXED EXPENSES | \$25.90 | | |
| NET FARM INCOME | | \$310.49 | (RETURN TO CAPITAL, LABOR, LAND & RISK) |
| LABOR AND MANAGEMENT COST | \$77.48 | | |
| NET OPERATING PROFIT | | \$233.01 | (RETURN TO CAPITAL, LAND & RISK) |
| CAPITAL COSTS | \$19.07 | | |
| RETURN TO LAND AND RISK | | \$213.94 | |

TABLE 8. Summary of per acre costs and returns for a 100 acre farm with above average management, De Baca County, 2002.

| | ALFALFA ESTABLISHMENT | ALFALFA HAY | WHEAT FOR GRAIN -----FLOOD----- | OAT HAY | HYGEAR |
|----------------------------------|--------------------------|----------------|---------------------------------------|------------|----------|
| | | TONS | BU | TONS | TONS |
| PRIMARY YIELD | | 5.10 | 40.00 | 4.00 | 4.50 |
| PRIMARY PRICE | | 140.00 | 3.45 | 130.00 | 105.00 |
| GOVERNMENT PAYMENTS | | 0.00 | 18.96 | 0.00 | 0.00 |
| SECOND INCOME | | 12.50 | 25.00 | 0.00 | 0.00 |
| GROSS RETURN | | \$726.50 | \$181.96 | \$520.00 | \$472.50 |
| CASH OPERATING EXPENSES | | | | | |
| SEED | \$75.00 | | \$10.40 | \$40.00 | \$42.00 |
| FERTILIZER | | \$42.90 | \$21.60 | \$14.40 | \$14.40 |
| CHEMICALS | | \$32.18 | | | |
| CROP INSURANCE | | | \$2.94 | | |
| OTHER PURCHASED INPUTS | | \$16.77 | | \$13.37 | |
| CANAL WATER | | \$42.50 | \$42.50 | \$42.50 | \$21.25 |
| FUEL, OIL & LUBRICANTS-EQUIPMENT | \$20.08 | \$17.68 | \$11.88 | \$15.35 | \$16.14 |
| FUEL-IRRIGATION | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| REPAIRS | \$5.27 | \$10.48 | \$3.01 | \$5.09 | \$5.51 |
| CUSTOM CHARGES | | | \$21.50 | | |
| LAND TAXES | | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| OTHER EXPENSES | \$0.01 | \$73.61 | \$73.61 | \$36.81 | \$36.81 |
| TOTAL CASH EXPENSES | \$100.36 | \$236.12 | \$187.44 | \$167.52 | \$136.10 |
| RETURN OVER CASH EXPENSES | (\$100.36) | \$490.38 | (\$5.48) | \$352.48 | \$336.40 |
| FIXED EXPENSES | \$39.74 | \$79.71 | \$19.27 | \$25.30 | \$25.90 |
| TOTAL EXPENSES | \$140.10 | \$315.83 | \$206.71 | \$192.82 | \$162.01 |
| NET FARM INCOME | (\$140.10) | \$410.67 | (\$24.75) | \$327.18 | \$310.49 |
| LABOR AND MANAGEMENT COSTS | \$59.71 | \$113.04 | \$51.58 | \$81.58 | \$77.48 |
| NET OPERATING PROFIT | (\$199.81) | \$297.63 | (\$76.33) | \$245.60 | \$233.01 |
| CAPITAL COSTS | | | | | |
| INTEREST ON OPERATING CAPITAL | | \$5.57 | \$3.54 | \$4.75 | \$3.46 |
| INTEREST ON EQUIPMENT INVESTMENT | | \$23.98 | \$10.58 | \$15.20 | \$15.60 |
| TOTAL CAPITAL COSTS | \$0.00 | \$29.55 | \$14.12 | \$19.95 | \$19.07 |
| RETURN TO LAND AND RISK | (\$199.81) | \$268.08 | (\$90.45) | \$225.65 | \$213.94 |

TABLE 9. Whole farm summary, De Baca County, 2002.

| | | |
|----------------------------------|----------|----------|
| GROSS RETURNS | | |
| ALFALFA HAY | 65 ACRES | |
| CROP | | \$46,410 |
| GRAZING | | \$813 |
| WHEAT FOR GRAIN | 17 ACRES | |
| CROP | | \$2,346 |
| GRAZING | | \$425 |
| ASCS DEFICIENCY | | \$322 |
| COUNTER CYCLICAL PAYMENT | | \$0 |
| OAT HAY | 10 ACRES | |
| CROP | | \$5,200 |
| HYGEAR | 17 ACRES | |
| CROP | | \$8,033 |
| GROSS RETURN | | \$63,548 |
| CASH OPERATING EXPENSES | | |
| SEED | | \$2,266 |
| FERTILIZER | | \$3,545 |
| CHEMICALS | | \$2,092 |
| CROP INSURANCE | | \$50 |
| OTHER PURCHASED INPUTS | | \$1,224 |
| CANAL WATER | | \$4,271 |
| FUEL, OIL & LUBRICANTS-EQUIPMENT | | \$2,040 |
| FUEL-IRRIGATION | | \$0 |
| REPAIRS | | \$945 |
| CUSTOM CHARGES | | \$366 |
| LAND TAXES | | \$0 |
| OTHER EXPENSES | | \$7,030 |
| TOTAL CASH EXPENSES | | \$23,828 |
| RETURN OVER CASH EXPENSES | | \$39,720 |
| FIXED EXPENSES | | \$4,121 |
| TOTAL EXPENSES | | \$27,949 |
| NET FARM INCOME | | \$35,599 |
| LABOR AND MANAGEMENT COSTS | | \$11,133 |
| NET OPERATING PROFIT | | \$24,466 |
| CAPITAL COSTS | | |
| INTEREST ON OPERATING CAPITAL | | \$528 |
| INTEREST ON EQUIPMENT INVESTMENT | | \$2,156 |
| TOTAL CAPITAL COSTS | | \$2,684 |
| RETURN TO LAND AND RISK | | \$21,781 |

| LAND VALUE | RETURN TO RISK* | RETURN ON INVESTMENT** |
|---------------|-----------------|------------------------|
| \$1,000 /ACRE | \$17,781 | 20.44% |
| \$2,000 /ACRE | \$13,781 | 11.14% |
| \$3,000 /ACRE | \$9,781 | 7.65% |
| \$4,000 /ACRE | \$5,781 | 5.83% |
| \$5,000 /ACRE | \$1,781 | 4.71% |

* 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)