

TABLE 1. Acreage Summary, Curry County,
Projected 2005.

BUDGET AREA.....	CURRY COUNTY		
FARM SIZE.....	640 ACRES		
IRRIGATION TYPE.....	SPRINKLER		
NUMBER OF CROPS..	1		
	WATER USE		
ACREAGE SUMMARY:	LAND USE (ACRES)	AC. IN. PER ACRE	TOTAL AC. IN.
ALFALFA ESTABLISHMEN	100	5	500
ALFALFA HAY	500	25	12,500
CORNERS, ROADS, HOMESTEAD	140		
TOTAL	640		13,000
ACRE FEET PER ACRE OF WATER RIGHTS			1.69

* DOUBLE-CROPPED

TABLE 2. Basic cost information for Curry County,
Projected 2005.

Item			
Labor Wage Rate:			
Equipment operators	\$/hour		\$7.45
General & Irrigators	\$/hour		\$6.65
Purchased Inputs:			
Fertilizer:			
Nitrogen (N)	\$/pound		\$0.40
Phosphate (P205)	\$/pound		\$0.31
Seed:			
Alfalfa	\$/pound		\$2.88
Diesel fuel	\$/gallon		\$2.10
Gasoline	\$/gallon		\$2.00
Electricity (SWPS)	cents/KwHr		6.85
LP Gas	\$/gallon		\$1.70
Natural Gas (Gas NM)	\$/MCF		\$3.27
Plastic Twine	\$/pound		\$0.21
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		7.00%
Land Interest Rate	percent		7.00%
Equipment Interest Rate	percent		7.00%
Real Interest Rate	percent		3.00%
Land Taxes		\$109.00 /acre (full value)	\$0.91
Personal Property Tax Rate	- NR	\$/(\$1,000	(Assessed Value)
	- R		\$25.05
Supervision Factors			
Field Crop-Irrigation	\$/labor hour		\$1.00
Field Crop-Equipment & Genera	\$/labor hour		\$0.50
Management Rate	percent		7.00%

TABLE 3. Overhead cost information for Curry County
Projected 2005.

Item			
Electricity (Domestic & Shop)		\$0.00 per month	\$0
Telephone		\$0.00 per month	\$0
Accounting & Legal			\$0
Misc. Supplies & Hand Tools			\$0
Pickup and Auto			
miles	0	@	\$0.000 per mile
Insurance			
- general liability (non-employee)			\$0
- fire/theft			\$0
Property Taxes			
- non-planted land			\$0
- other than land & machinery			\$0
Building repairs and maintenance			\$0
Dues, fees, publications			\$0
Farmstead Equipment			\$0
		Total	\$0
		Total Per Planted Acre	\$0.00

TABLE 4. Pumping costs and data for Curry County,
Projected 2005.

INPUT DATA			
DELIVERY PSI:		DEPTH CHARACTERISTICS:	
SPRINKLER	40	STATIC.....	300
		DRAW DOWN.....	35
		TOTAL HEAD.....	335
		CASING.....	350
GALLONS PER MINUTE (GPM)	800		
WORK HORSEPOWER	86		
EFFICIENCY FACTOR:			
ELECTRICITY	0.592		
NATURAL GAS	0.156		
LP GAS	0.156		
DIESEL	0.160		
FUEL COST PER HOUR:			
ELECTRICITY	6.85	CENTS/KwHr	
NATURAL GAS	\$3.27	\$/MCF	
LP GAS	\$1.70	\$/GAL	
DIESEL	\$2.10	\$/GAL	
PUMPING COSTS			
ELECTRIC WELL:			
COST PER HOUR	\$7.49		
COST PER ACRE INCH	\$4.23		
NATURAL GAS:			
COST PER HOUR	\$5.08		
COST PER ACRE INCH	\$2.87		
LP GAS WELL:			
COST PER HOUR	\$26.10		
COST PER ACRE INCH	\$14.77		
DIESEL WELL:			
COST PER HOUR	\$20.40		
COST PER ACRE INCH	\$11.54		

TABLE 5. Equipment summary for a 640 acre sprinkler-irrigated hay farm with above average management, Curry County,
Projected 2005.

EQUIPMENT		ANNUAL HOURS OF USE	NUMBER	TOTAL VALUE	VARIABLE COSTS			FIXED COSTS			
ITEM & SIZE	FUEL, OIL, LUBRICANT				REPAIR	FUEL, OIL PER HR	REPAIR PER HR	DEPRECIATION	TAXES	TOTAL PER HR	
TRACTOR	96 HP	300	1	\$9,473	\$3,836	\$622	\$12.79	\$2.07	\$1,152	\$144	\$4.32
TRACTOR	140 HP	282	1	\$19,725	\$4,628	\$1,227	\$16.41	\$4.35	\$4,834	\$303	\$18.22
TRACTOR	185 HP	159	1	\$44,016	\$3,459	\$920	\$21.75	\$5.79	\$6,428	\$403	\$42.96
SWATHER	16 FT	275	1	\$21,350	\$2,162	\$398	\$7.86	\$1.45	\$3,621	\$302	\$14.26
DISC	14 FT	14	1	\$3,000		\$52		\$3.72	\$400	\$25	\$30.36
FERT SPREADER	DEALER FURNISHED	0									
CHISEL	7 PT	20	1	\$1,200		\$30		\$1.49	\$160	\$10	\$8.50
FLOAT	14 FT	32	1	\$600		\$1		\$0.02	\$60	\$4	\$1.99
BALER	1 TON	125	1	\$41,720		\$218		\$1.74	\$5,812	\$364	\$49.40
RAKE		300	1	\$1,550		\$130		\$0.43	\$155	\$13	\$0.56
FRONT END LOADER		250	1	\$2,550		\$791		\$3.16	\$255	\$21	\$1.11
SPRINKLER		7,354	1	\$15,000					\$2,000	\$125	\$0.29
ELECTRIC WELL		7,354	1	\$13,000	\$55,054		\$7.49		\$1,040	\$109	\$0.16
TOTAL				\$173,183	\$69,140	\$4,388			\$25,916	\$1,823	

TABLE 6. Alfalfa establishment, sprinkler-irrigated, budgeted per acre costs and returns for a 640 acre farm with above average management, Curry County, Projected 2005.
Planting Dates: August 1 - September 1

ITEM	PRICE	QUANTITY	PURCHASED INPUTS						TOTAL	
PURCHASED INPUTS										
SEED	\$2.88	30.00 LBS	\$86.40						\$86.40	
NITROGEN (N)	\$0.40	20.00 LBS	\$8.00						\$8.00	
PHOSPHATE (P2O5)	\$0.31	50.00 LBS	\$15.50						\$15.50	
PUMP WATER*		5.00 AC. IN.								
SUBTOTAL			\$109.90						\$109.90	
PREHARVEST OPERATIONS										
	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL		
CHISEL	185 HP	0.20 HR		\$1.49	\$4.35	\$1.45	\$10.29	\$17.59		
DISC	185 HP	0.14 HR		\$1.04	\$3.05	\$1.33	\$10.26	\$15.68		
FLOAT (2X)	140 HP	0.32 HR		\$2.38	\$5.25	\$1.40	\$6.47	\$15.50		
PRE-IRRIGATE		0.10 HR		\$0.75	\$3.02	\$0.00	\$0.18	\$3.95		
SEED (CUSTOM)			\$9.00					\$9.00		
IRRIGATE (6X)		0.60 HR		\$3.99	\$18.15	\$0.00	\$1.08	\$23.22		
SUBTOTAL		1.36 HR	\$9.00	\$9.65	\$33.82	\$4.18	\$28.28	\$84.94		
OVERHEAD EXPENSES										
DOWNTIME		0.09 HR		\$0.63						\$0.63
EMPLOYEE BENEFITS				\$1.74						\$1.74
INSURANCE			\$0.03						\$0.03	
SUPERVISION AND MANAGEMENT				\$14.62						\$14.62
SUBTOTAL		0.09 HR	\$0.03	\$16.99						\$17.02
TOTAL OPERATING EXPENSES		1.45 HR	\$118.93	\$26.64	\$33.82	\$4.18	\$28.28	\$211.86		

TABLE 7. Alfalfa hay, sprinkler-irrigated, budgeted per acre costs and returns for a 640 acre farm with above average management, Curry County, Projected 2005.
Harvesting Dates: May 15 - September 15

ITEM	PRICE	YIELD	TOTAL
GROSS RETURNS			
ALFALFA HAY	\$130.00	6.50 TONS (STACKED)	\$845.00
TOTAL			\$845.00

PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS	FIXED COST	TOTAL
NITROGEN (N)	\$0.40	100 LBS	\$40.00		\$40.00
PHOSPHATE (P205)	\$0.31	200 LBS	\$62.00		\$62.00
TRACE ELEMENTS	\$14.25	1 ACRE	\$14.25		\$14.25
HERBICIDE (CUSTOM)	\$20.54	1 ACRE	\$20.54		\$20.54
INSECTICIDE (CUSTOM)	\$14.39	1 ACRE	\$14.39		\$14.39
PLASTIC TWINE	\$0.21	170 FT/TON	\$0.06		\$0.06
ESTABLISHMENT: Principal		6 YEARS		\$35.31	\$35.31
: Interest				\$7.92	\$7.92
PUMP WATER*		25 AC. IN.			
SUBTOTAL			\$151.24	\$43.23	\$194.46

PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
IRRIGATE		2.00 HR		\$13.30	\$105.87	\$0.00	\$6.30	\$125.47
SUBTOTAL		2.00 HR		\$13.30	\$105.87	\$0.00	\$6.30	\$125.47
HARVEST OPERATIONS								
SWATHER (5X)	16 FT	0.55 HR		\$4.10	\$4.32	\$0.80	\$7.85	\$17.06
RAKE (5X)	96 HP	0.60 HR		\$4.47	\$7.67	\$1.50	\$2.93	\$16.57
BALER (5X)	185 HP	0.25 HR		\$1.86	\$5.44	\$1.88	\$23.09	\$32.27
FRONT END LOADER (5X)	140 HP	0.50 HR		\$3.73	\$8.21	\$3.76	\$9.66	\$25.35
SUBTOTAL		1.90 HR		\$14.16	\$25.64	\$7.94	\$43.53	\$91.26
OVERHEAD EXPENSES								
DOWNTIME		0.48 HR		\$3.54				\$3.54
EMPLOYEE BENEFITS				\$4.94				\$4.94
INSURANCE			\$0.55					\$0.55
LAND TAXES							\$0.91	\$0.91
SUPERVISION AND MANAGEMENT				\$62.10				\$62.10
OTHER EXPENSES			\$0.00					\$0.00
SUBTOTAL		0.48 HR	\$0.55	\$70.58			\$0.91	\$72.04
TOTAL OPERATING EXPENSES		4.38 HR	\$151.78	\$98.04	\$131.51	\$7.94	\$93.96	\$483.23
NET OPERATING PROFIT								\$361.77
INTEREST ON OPERATING CAPITAL		(\$108.84 @ 7.00%)						\$7.62
INTEREST ON EQUIPMENT INVESTMENT								\$27.74
RETURN TO LAND AND RISK								\$326.41

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

BUDGET SUMMARY

GROSS RETURN		\$845.00	
VARIABLE OPERATING EXPENSES	\$291.24		
RETURN OVER VARIABLE EXPENSES		\$553.76	(GROSS MARGIN)
FIXED EXPENSES	\$93.96		
NET FARM INCOME		\$459.80	(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$98.04		
NET OPERATING PROFIT		\$361.77	(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$35.36		
RETURN TO LAND AND RISK		\$326.41	

TABLE 8. Summary of per acre costs and returns for a 640 acre farm with above average management, Curry County, Projected 2005.

	ALFALFA ESTABLISHMENT	ALFALFA HAY
		TONS
PRIMARY YIELD		6.50
PRIMARY PRICE		\$130.00
GOVERNMENT PAYMENTS		\$0.00
SECOND INCOME		\$0.00
GROSS RETURN		\$845.00
CASH OPERATING EXPENSES		
SEED	\$86.40	
FERTILIZER	\$23.50	\$116.25
CHEMICALS		\$34.93
CROP INSURANCE		
OTHER PURCHASED INPUTS		\$0.06
CANAL WATER		
FUEL, OIL & LUBRICANTS-EQUIPMENT	\$12.65	\$25.64
FUEL-IRRIGATION	\$21.17	\$105.87
REPAIRS	\$4.18	\$7.94
CUSTOM CHARGES	\$9.00	\$0.00
LAND TAXES		\$0.91
OTHER EXPENSES	\$0.03	\$0.55
TOTAL CASH EXPENSES	\$156.93	\$292.15
RETURN OVER CASH EXPENSES	(\$156.93)	\$552.85
FIXED EXPENSES	\$28.28	\$93.05
TOTAL EXPENSES	\$185.22	\$385.20
NET FARM INCOME	(\$185.22)	\$459.80
LABOR AND MANAGEMENT COSTS	\$26.64	\$98.04
NET OPERATING PROFIT	(\$211.86)	\$361.77
CAPITAL COSTS		
INTEREST ON OPERATING CAPITAL		\$7.62
INTEREST ON EQUIPMENT INVESTMENT		\$27.74
TOTAL CAPITAL COSTS	\$0.00	\$35.36
RETURN TO LAND AND RISK	(\$211.86)	\$326.41

TABLE 9. Whole farm summary, Curry County,
Projected 2005.

GROSS RETURNS		
ALFALFA HAY	500 ACRES	
CROP		\$422,500
GROSS RETURN		<u>\$422,500</u>
CASH OPERATING EXPENSES		
		\$8,640
		\$60,473
CHEMICALS		\$17,466
CROP INSURANCE		\$0
OTHER PURCHASED INPUTS		\$29
CANAL WATER		\$0
FUEL, OIL & LUBRICANTS-EQUIPMENT		\$14,085
FUEL-IRRIGATION		\$55,054
REPAIRS		\$4,388
CUSTOM CHARGES		\$900
LAND TAXES		\$455
OTHER EXPENSES		\$277
TOTAL CASH EXPENSES		<u>\$161,768</u>
RETURN OVER CASH EXPENSES		\$260,732
FIXED EXPENSES		\$31,698
TOTAL EXPENSES		\$193,465
NET FARM INCOME		\$229,035
LABOR AND MANAGEMENT COSTS		\$51,682
NET OPERATING PROFIT		\$177,353
CAPITAL COSTS		
INTEREST ON OPERATING CAPITAL		\$3,810
INTEREST ON EQUIPMENT INVESTMENT		\$13,869
TOTAL CAPITAL COSTS		<u>\$17,679</u>
RETURN TO LAND AND RISK		<u>\$159,674</u>

LAND VALUE	RETURN TO RISK*	RETURN ON INVESTMENT**
\$500 /ACRE	\$150,074	35.96%
\$1,000 /ACRE	\$140,474	21.81%
\$1,500 /ACRE	\$130,874	15.65%
\$2,000 /ACRE	\$121,274	12.20%
\$2,500 /ACRE	\$111,674	10.00%

* 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)