

TABLE 1. Basic cost information for San Juan County, 2006

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
Oats	\$/pound		0.40
Pasture	\$/pound		2.50
Wire	\$/pound		0.39
Canal Water	\$/acre foot		10.75
Energy:			
Diesel fuel	\$/gallon		1.30
Gasoline	\$/gallon		1.35
Natural Gas	\$/MCF		3.28
LP Gas	\$/gallon		1.21
Electricity	cents/KwHr		8.87
Employee Liability Insurance	\$/1,000	wages	12.00
Employee Benefits	percent/w	ages	12.00%
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	253.00 /acre	(full value)	2.07
Personal Property Tax Rate - NR	\$/1,000	(Assessed Value)	24.60
	- R		20.83
Supervision Factors			
Field Crop-Irrigation	\$/labor hour		1.00
Field Crop-Equipment & General	\$/labor hour		0.50
Management Rate	percent		4.00%

BUDGET AREA..... SAN JUAN COUNTY, 2005.
 FARM SIZE..... 20 ACRES
 IRRIGATION TYPE..... FLOOD
 NUMBER OF CROPS..... 2

ACREAGE SUMMARY:	LAND USE (ACRES)	WATER USE	
		AC.IN. PER AC.	TOTAL AC.IN.
ALFALFA ESTABLISHMENT	1.5	48	72.0
ALFALFA	9.0	60	540.0
PASTURE ESTABLISHMENT	0.5 *	21	10.5
PASTURE	10.0	62	620.0
TOTAL	20.5		1,242.5
ACRE FEET PER ACRE OF WATER RIGHTS			5.05

* DOUBLE-CROPPED

TABLE 1a. Overhead cost information for San Juan County, 2006

ITEM		CROP ENTERPRISE	LIVESTOCK ENTERPRISE	TOTAL
Electricity (Domestic & Shop)	30.90 per month	420	42	462
Telephone	30.90 per month	420	42	462
Accounting & Legal		130		118
Misc. Supplies & Hand Tools		245	25	261
Pickup and Auto	Crop Ent. Livestock Ent.			
miles	3,100 1,545 @	0.415 per mile	1,132 564	1,695
Insurance				
- general liability (non-employee)		0		0
- fire/theft		0		0
Property Taxes				
- non-planted land		0		0
- other than land & machinery		60		60
Building repairs and maintenance		115	12	113
Dues, fees, publications		115	6	108
Farmstead Equipment		175	18	181
Total		2,812	707	3,519
Total per planted acre		137.15		

TABLE 4. Equipment summary for an 80 acre food-irrigated farm, San Juan County
Projected 2008

EQUIPMENT ITEM & SIZE	ANNUAL HOURS OF LIFE	NUMBER	VARIABLE COSTS					FIXED COSTS				
			TOTAL VALUE	FUEL OIL LUBRICANT	REPAIR PER HR	FUEL OIL REPAIR PER HR	REPAIR PER HR	DEPRECIATION	TAXES	TOTAL PER HR		
TRACTOR	40 HP	39	1	\$7,311	\$288	\$42	\$7.48	\$1.08		\$359	\$75	\$11.26
TRACTOR	95 HP	102	1	\$8,887	\$1,337	\$211	\$12.18	\$2.07		\$1,182	\$144	\$12.76
SWATHER	14 FT	17	1	\$3,000	\$128	\$10	\$7.49	\$0.58		\$1,400	\$121	\$30.09
BALE WAGON	2 WHE	23	1	\$1,000	\$53	\$5	\$2.15			\$395	\$32	\$18.69
DISC	12 FT	22	1	\$1,500	\$28	\$28	\$1.28			\$800	\$87	\$40.12
PLOW	3-14 IN	14	1	\$3,350	\$75	\$75	\$4.15			\$447	\$39	\$30.23
SLURGE CHOPPER	3-14 IN	14	1	\$5,350	\$55	\$55	\$2.27			\$820	\$77	\$71.18
UNLOADING WAGON	14	1	1	\$3,000	\$0	\$0	\$0			\$888	\$82	\$29.37
DITCHER	12 FT	5	1	\$1,250	\$0	\$0	\$0			\$187	\$10	\$24.33
HARROW	12 FT	5	1	\$500	\$0	\$0	\$0			\$80	\$4	\$5.28
DRILL	12 FT	1	1	\$2,200	\$2	\$2	\$1.08			\$440	\$18	\$31.77
PLANTER	4 ROW	5	1	\$4,400	\$8	\$8	\$1.63			\$660	\$28	\$38.21
CULTIVATOR	4 ROW	18	1	\$2,000	\$45	\$45	\$2.48			\$287	\$17	\$15.51
FERT SPREADER	DEALER FURNISHED	4	1									
				\$27,710	\$1,855	\$461				\$7,791	\$859	

EQUIPMENT LIST

ITEM	NEW VALUE	USED VALUE	YEARS	EQUIP CODE	MAX HOURS	FUEL COEF	LUBE COEF	ACCM HOURS	INTEREST AGE	INTEREST EXPENSE	
TRACTOR	40 HP	1974.00	7310.50	50.00	1.00	800.00	3.40	0.10	578.55	15.00	718.96
TRACTOR	95 HP	3456.00	8877.00	30.00	1.00	800.00	5.54	0.10	2188.80	21.00	1386.00
SWATHER	14 FT	2900.00	3900.00	20.00	2.00	800.00	3.12	0.20	241.92	14.00	1186.00
BALE WAGON	2 WHE	1700.00	1000.00	20.00	3.00	300.00			488.24	18.00	348.00
DISC	12 FT	1600.00	1500.00	20.00	3.00	800.00			131.00	8.00	440.00
PLOW	3-14 IN	4500.00	2250.00	15.00	3.00	300.00			148.88	16.00	180.00
SLURGE CHOPPER	3-14 IN	7100.00	3350.00	15.00	3.00	300.00			288.44	16.00	288.00
UNLOADING WAGON	14	1840.00	5380.00	20.00	2.00	100.00			198.80	14.00	738.00
DITCHER	12 FT	2500.00	1250.00	15.00	4.00	300.00			91.50	15.00	100.00
HARROW	12 FT	600.00	300.00	15.00	4.00	300.00			42.08	16.00	240.00
DRILL	12 FT	4400.00	2200.00	10.00	8.00	100.00			19.11	13.00	178.00
PLANTER	4 ROW	5800.00	3400.00	10.00	8.00	100.00			67.60	13.00	272.00
CULTIVATOR	4 ROW	4000.00	2000.00	15.00	3.00	300.00			292.32	18.00	190.00
FERT SPREADER	DEALER FURNISHED								17.00		

USAGE LIST

ALFALFA EST.	ALFALFA PASTURE EST.	ANNUAL EST.	CORN PER ACRE	FOR PER ACRE TOTALS
-----hours per acre-----				
		0.31	0.10	0.31
		1.87	1.28	1.44
		0.16	0.48	0.00
		0.21	0.20	0.00
		0.34	0.00	0.00
		0.47	0.00	0.00
		0.00	0.00	0.00
		0.10	0.10	0.10
		0.19	0.00	0.19
		0.21	0.00	0.21
		0.00	0.00	0.00
		0.06	0.06	0.06

INTEREST PROXATION

QAT ALFALFA PASTURE	ANNUAL INTEREST	CORN FOR
-----dollars per acre-----		
8.78	1.86	0.78
25.44	17.41	0.68
10.14	32.22	0.20
2.85	8.58	0.00
5.53	17.78	0.00
6.87	0.00	0.00
9.53	0.00	0.00
0.00	0.00	0.00
1.64	1.64	0.00
0.89	0.89	0.00
26.14	0.00	0.00
0.89	0.00	0.00
1.84	0.00	0.00
0.00	0.00	0.00

86.84 18.41 0.94 14.97

ALFALFA ESTABLISHMENT

MACHINE	POWER UNIT	TIMES OVER	RATE	TOTAL	CUSTOM
ACRES: 6.00 PUMP WATER					
ACCOMPLISHMENT					
PLOW	95 HP	1.00	0.07	0.67	
DISC (2X)	95 HP	2.00	0.17	0.34	
HARROW	95 HP	1.00	0.19	0.19	
FERTILIZE	40 HP	1.00	0.05	0.05	
CORRUGATE	40 HP	1.00	0.21	0.21	
DRILL	95 HP	1.00	0.21	0.21	
DITCHER (2X)	40 HP	2.00	0.05	0.10	
IRRIGATE (1X)		6.00	0.50	3.00	
SWATHER					
	14 FT	1.00	0.16	0.16	
BALE WAGON					
	2 WHE	1.00	0.21	0.21	
	95 HP	1.00	0.20	0.20	

ALFALFA HAY

MACHINE	POWER UNIT	TIMES OVER	RATE	TOTAL	CUSTOM
ACRES: 54 PUMP WATER					
ACCOMPLISHMENT					
FERTILIZE	95 HP	1.00	0.05	0.05	
DITCHER (2X)	40 HP	2.00	0.05	0.10	
IRRIGATE (1X)		10.00	0.50	5.00	
SWATHER (2X)					
	14 FT	3.00	0.16	0.48	
BALE WAGON (2X)					
	95 HP	3.00	0.21	0.63	
	95 HP	3.00	0.20	0.60	

PERMANENT PASTURE EST.

MACHINE	POWER UNIT	TIMES OVER	RATE	TOTAL	CUSTOM
ACRES: 1.00 PUMP WATER					
ACCOMPLISHMENT					
PLOW	95 HP	1.00	0.07	0.07	
DISC (2X)	95 HP	2.00	0.17	0.34	
HARROW	95 HP	1.00	0.19	0.19	
FERTILIZE	40 HP	1.00	0.05	0.05	
CORRUGATE	40 HP	1.00	0.21	0.21	
DRILL	95 HP	1.00	0.21	0.21	
DITCHER (2X)	40 HP	2.00	0.05	0.10	
IRRIGATE (1X)		3.00	0.50	1.50	

PERMANENT PASTURE

MACHINE	POWER UNIT	TIMES OVER	RATE	TOTAL	CUSTOM
ACRES: 20 PUMP WATER					
ACCOMPLISHMENT					
FERTILIZE	95 HP	1.00	0.05	0.05	
DITCHER (2X)	40 HP	2.00	0.05	0.10	
IRRIGATE (1X)		10.00	0.50	5.00	

CORN FOR SLURGE

MACHINE	POWER UNIT	TIMES OVER	RATE	TOTAL	CUSTOM
ACRES: 20 PUMP WATER					
ACCOMPLISHMENT					
PLOW	95 HP	1.00	0.07	0.07	
DISC (2X)	95 HP	2.00	0.17	0.34	
HARROW	95 HP	1.00	0.19	0.19	
FERTILIZE	40 HP	1.00	0.05	0.05	
CORRUGATE	40 HP	1.00	0.21	0.21	
PRE-IRRIGATE	1.00	0.73	0.73		
PLANTER	95 HP	1.00	0.26	0.26	
CULTIVATOR (2X)	40 HP	2.00	0.21	0.42	
IRRIGATE (1X)		9.00	0.50	4.50	
SLURGE CHOPPER, PTO					
	95 HP	1.00	0.71	0.71	
LOAD & HAIL					
	40 HP	1.00	0.71	0.71	

ANNUAL REPAIR COSTS AS A PERCENT OF NEW VALUE

Months of Use	1	2	3	4	5	6	7	8	9
0	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
10	0.00006	0.00020	0.00020	0.00020	0.00080	0.00040	0.00040	0.00040	0.00000
100	0.00066	0.00060	0.00000	0.00020	0.00080	0.00040	0.00040	0.00000	0.00000
200	0.00030	0.00030	0.00040	0.00040	0.00180	0.00080	0.00110	0.00010	0.00000
300	0.00026	0.00060	0.00000	0.00000	0.00040	0.00040	0.00040	0.00000	0.00000
400	0.00030	0.00060	0.00070	0.00090	0.00280	0.00040	0.00010	0.00070	0.00040
500	0.00020	0.00070	0.00060	0.00110	0.00280	0.00010	0.00070	0.00060	0.00030
600	0.00010	0.00050	0.00040	0.00120	0.00110	0.00090	0.00110	0.00080	0.00030
700	0.00030	0.00100	0.00040	0.00130	0.00030	0.00040	0.00020	0.00010	0.00000
800	0.00010	0.00120	0.00030	0.00160	0.00030	0.00040	0.00010	0.00000	0.00000
900	0.00020	0.00120	0.00030	0.00160	0.00070	0.00040	0.00020	0.00120	0.00060
1000	0.00006	0.00110	0.00030	0.00160	0.00090	0.00080	0.00020	0.00100	0.00030
1200	0.00045	0.00145	0.00035	0.00205	0.00045	0.00040	0.00045	0.00115	0.00070
1400	0.00045	0.00170	0.00030	0.00220	0.00045	0.00040	0.00040	0.00110	0.00060
1600	0.00150	0.00170	0.00030	0.00230	0.00045	0.00010	0.00040	0.00120	0.00095
1800	0.00150	0.00190	0.00035	0.00265	0.00045	0.00020	0.00010	0.00120	0.00085
2000	0.00075	0.00170	0.00035	0.00285	0.00045	0.00050	0.00020	0.00120	0.00085
2500	0.00110	0.00205	0.00030	0.00295	0.00060	0.00060	0.00010	0.00120	0.00085
3000	0.00070								
3500	0.00090								
4000	0.00098								
4500	0.00108								
5000	0.00122								
5500	0.00138								
6000	0.00148								
6500	0.00162								
7000	0.00178								
7500	0.00188								
8000	0.00204								

* Based on unpublished data of D. R. Hunt, Department of Agriculture Engineering, University of Illinois.

* Based on "Agricultural Machinery Data" in Agriculture Engineers' Yearbook, 1953.

TABLE 5. Alfalfa establishment, flood-irrigated, budgeted per acre costs and returns for an 80 acre farm, San Juan County, Projected 2006.
 Planting dates: April 15 - June 1
 Harvest dates: June 1 - July 31

ITEM	PRICE	YIELD						TOTAL	
GROSS RETURNS									
OAT HAY	\$120.00	2.25 TONS (STACKED)						\$270.00	
GRAZING	\$10.00	1.00 AUM						\$10.00	
TOTAL							\$280.00		
PURCHASED INPUTS									
PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS				FIXED COST	TOTAL	
ALFALFA SEED	\$3.20	20 LBS	\$64.00					\$64.00	
OAT SEED	\$0.32	45 LBS	\$14.40					\$14.40	
PHOSPHATE (P2O5)	\$0.40	45 LBS	\$18.00					\$18.00	
WIRE	\$0.50	19 LBS	\$9.64					\$9.64	
CANAL WATER		48 AC. IN.					\$11.00	\$11.00	
CANAL WATER (MAINTENANCE)		1 ACRE					\$8.00	\$8.00	
SUBTOTAL			\$106.04				\$19.00	\$125.04	
PREHARVEST OPERATIONS									
PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL	
PLOW	96 HP	0.67 HR		\$4.46	\$8.16	\$4.17	\$26.12	\$42.91	
DISC (2X)	96 HP	0.34 HR		\$2.26	\$4.14	\$1.65	\$16.14	\$24.19	
HARROW	96 HP	0.19 HR		\$1.26	\$2.31	\$0.40	\$4.00	\$7.97	
FERTILIZE	96 HP	0.05 HR		\$0.33	\$0.61	\$0.10	\$0.64	\$1.68	
CORRUGATE	40 HP	0.21 HR		\$1.40	\$1.57	\$0.75	\$5.62	\$9.34	
DRILL	96 HP	0.21 HR		\$1.40	\$2.56	\$0.66	\$68.15	\$72.76	
DITCHER (2X)	40 HP	0.10 HR		\$0.67	\$0.75	\$0.11	\$4.03	\$5.55	
IRRIGATE (6X)		3.00 HR		\$19.05				\$19.05	
SUBTOTAL	4.77 HR			\$30.82	\$20.10	\$7.84	\$124.69	\$183.45	
HARVEST OPERATIONS									
SWATHER	14 FT	0.16 HR		\$1.06	\$1.20	\$0.09	\$14.54	\$16.90	
BALER	96 HP	0.21 HR		\$1.40	\$2.56	\$0.47	\$6.54	\$10.96	
BALE WAGON	96 HP	0.20 HR		\$1.33	\$2.44	\$0.67	\$10.57	\$15.01	
SUBTOTAL	0.57 HR			\$3.79	\$6.19	\$1.23	\$31.66	\$42.87	
OVERHEAD EXPENSES									
DOWNTIME		2.16 HR		\$14.38				\$14.38	
EMPLOYEE BENEFITS				\$6.23				\$6.23	
INSURANCE			\$0.69					\$0.69	
LAND TAXES							\$2.10	\$2.10	
SUPERVISION AND MANAGEMENT				\$25.76				\$25.76	
SUBTOTAL	2.16 HR		\$0.69	\$46.38				\$2.10	\$49.17
TOTAL OPERATING EXPENSES	7.50 HR		\$106.73	\$80.99	\$26.29	\$9.07	\$177.45	\$400.54	
NET OPERATING PROFIT								(\$120.54)	
INTEREST ON OPERATING CAPITAL		(\$60.62 @	8.00%	)				\$4.85
INTEREST ON EQUIPMENT INVESTMENT								\$96.84	
RETURN TO LAND AND RISK								(\$222.22)	

TABLE 6. Alfalfa hay, flood-irrigated, budgeted per acre costs and returns for an 80 acre farm, San Juan County, Projected 2006.
Harvesting dates: June 1 - October 15

ITEM	PRICE	YIELD	TOTAL
GROSS RETURNS			
ALFALFA HAY	\$130.00	5.00 TONS (STACKED)	\$650.00
GRAZING	\$10.00	2.00 AUM	\$20.00
TOTAL			\$670.00

PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS	FIXED COST	TOTAL
PHOSPHATE (P2O5)	\$0.40	45 LBS	\$18.00		\$18.00
INSECTICIDE (AERIAL)	\$17.25	1 ACRE	\$17.25		\$17.25
WIRE	\$0.50	43 LBS	\$21.43		\$21.43
ESTABLISHMENT: Principal		6 YEARS		\$37.04	\$37.04
: Interest				\$19.84	\$19.84
LIVESTOCK FAC & EQUIP				\$5.00	\$5.00
CANAL WATER		60 AC. IN.		\$13.75	\$13.75
CANAL WATER (MAINTENANCE)		1 ACRE		\$8.00	\$8.00
SUBTOTAL			\$56.68	\$83.63	\$140.31

PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
FERTILIZE	96 HP	0.05 HR		\$0.33	\$0.61	\$0.10	\$0.64	\$1.68
DITCHER (2X)	40 HP	0.10 HR		\$0.67	\$0.75	\$0.11	\$4.03	\$5.55
IRRIGATE (10X)		5.00 HR		\$31.75				\$31.75
SUBTOTAL		5.15 HR		\$32.75	\$1.36	\$0.22	\$4.67	\$38.99

HARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
SWATHER (3X)	14 FT	0.48 HR		\$3.19	\$3.59	\$0.28	\$43.63	\$50.69
BALER (3X)	96 HP	0.63 HR		\$4.19	\$7.67	\$1.40	\$19.62	\$32.88
BALE WAGON (3X)	96 HP	0.60 HR		\$3.99	\$7.31	\$2.01	\$31.72	\$45.03
SUBTOTAL		1.71 HR		\$11.37	\$18.57	\$3.69	\$94.97	\$128.61

OVERHEAD EXPENSES	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
DOWNTIME		0.44 HR		\$2.93				\$2.93
EMPLOYEE BENEFITS				\$7.94				\$7.94
INSURANCE			\$0.88					\$0.88
LAND TAXES							\$2.10	\$2.10
SUPERVISION AND MANAGEMENT				\$52.78				\$52.78
OTHER EXPENSES			\$223.09					\$223.09
SUBTOTAL		0.44 HR	\$223.97	\$63.65			\$2.10	\$289.73

TOTAL OPERATING EXPENSES		7.30 HR	\$280.65	\$107.77	\$19.93	\$3.91	\$185.37	\$597.63
---------------------------------	--	----------------	-----------------	-----------------	----------------	---------------	-----------------	-----------------

NET OPERATING PROFIT								\$72.37
-----------------------------	--	--	--	--	--	--	--	----------------

INTEREST ON OPERATING CAPITAL	(	\$30.59	@	8.00%	)			\$2.45
INTEREST ON EQUIPMENT INVESTMENT								\$79.47

RETURN TO LAND AND RISK								(\$9.55)
--------------------------------	--	--	--	--	--	--	--	-----------------

BUDGET SUMMARY

GROSS RETURN		\$670.00	
VARIABLE OPERATING EXPENSES	\$304.49		
RETURN OVER VARIABLE EXPENSES	\$365.51	(GROSS MARGIN)	
FIXED EXPENSES	\$185.37		
NET FARM INCOME	\$180.14	(RETURN TO CAPITAL, LABOR, LAND & RISK)	
LABOR AND MANAGEMENT COST	\$107.77		
NET OPERATING PROFIT	\$72.37	(RETURN TO CAPITAL, LAND & RISK)	
CAPITAL COSTS	\$81.92		
RETURN TO LAND AND RISK		(\$9.55)	

TABLE 7. Permanent pasture establishment, flood-irrigated, budgeted per acre costs and returns for an 80 acre farm, San Juan County, Projected 2006.
Planting dates: August 15 - September 15

PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS	FIXED COST	TOTAL
SEED	\$1.80	14 LBS	\$25.20		\$25.20
NITROGEN (N)	\$0.52	20 LBS	\$10.40		\$10.40
PHOSPHATE (P205)	\$0.40	50 LBS	\$20.00		\$20.00
CANAL WATER		21 AC. IN.		\$4.81	\$4.81
CANAL WATER (MAINTENANCE)				\$8.00	\$8.00
SUBTOTAL			\$55.60	\$4.81	\$60.41

PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
PLOW	96 HP	0.67 HR		\$4.46	\$8.16	\$4.17	\$26.12	\$42.91
DISC (2X)	96 HP	0.34 HR		\$2.26	\$4.14	\$1.65	\$16.14	\$24.19
HARROW	96 HP	0.19 HR		\$1.26	\$2.31	\$0.40	\$4.00	\$7.97
FERTILIZE	96 HP	0.05 HR		\$0.33	\$0.61	\$0.10	\$0.64	\$1.68
CORRUGATE	40 HP	0.21 HR		\$1.40	\$1.57	\$0.75	\$5.62	\$9.34
DRILL	96 HP	0.21 HR		\$1.40	\$2.56	\$0.66	\$68.15	\$72.76
DITCHER (2X)	40 HP	0.10 HR		\$0.67	\$0.75	\$0.11	\$4.03	\$5.55
IRRIGATE (3X)		1.50 HR		\$9.53				\$9.53
SUBTOTAL		3.27 HR		\$21.30	\$20.10	\$7.84	\$124.69	\$173.93

OVERHEAD EXPENSES	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	TOTAL
DOWNTIME	0.44 HR		\$2.94	\$2.94
EMPLOYEE BENEFITS			\$3.83	\$3.83
INSURANCE		\$0.43		\$0.43
SUPERVISION AND MANAGEMENT			\$18.79	\$18.79
SUBTOTAL	0.44 HR	\$0.43	\$25.56	\$25.99

TOTAL OPERATING EXPENSES	3.71 HR	\$56.03	\$46.86	\$20.10	\$7.84	\$129.50	\$260.33
--------------------------	---------	---------	---------	---------	--------	----------	----------

TABLE 8. Permanent pasture, flood-irrigated, budgeted per acre costs and returns for an 80 acre farm, San Juan County, Projected 2006.
Harvesting dates: Year Round

ITEM	PRICE	YIELD	TOTAL
GROSS RETURNS			
PASTURE	\$12.00	12.00 AUMS	\$144.00
TOTAL			\$144.00

PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS	FIXED COST	TOTAL
NITROGEN (N)	\$0.52	100 LBS	\$52.00		\$52.00
LIVESTOCK FAC & EQUIP				\$5.00	\$5.00
ESTABLISHMENT: Principal		15 YEARS		\$17.36	\$17.36
: Interest				\$6.56	\$6.56
CANAL WATER		62 AC. IN.		\$14.21	\$14.21
CANAL WATER (MAINTENANCE)		1 ACRE		\$8.00	\$8.00
SUBTOTAL			\$52.00	\$51.13	\$103.13

PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
FERTILIZE	96 HP	0.05 HR		\$0.33	\$0.61	\$0.10	\$0.64	\$1.68
CORRUGATE	40 HP	0.21 HR		\$1.40	\$1.57	\$0.75	\$5.62	\$9.34
DITCHER (2X)	40 HP	0.10 HR		\$0.67	\$0.75	\$0.11	\$4.03	\$5.55
IRRIGATE (11X)		5.50 HR		\$34.93				\$34.93
SUBTOTAL		5.86 HR		\$37.32	\$2.93	\$0.96	\$10.29	\$51.50

OVERHEAD EXPENSES								
DOWNTIME		0.09 HR		\$0.60				\$0.60
EMPLOYEE BENEFITS				\$6.72				\$6.72
INSURANCE			\$0.75					\$0.75
LAND TAXES						\$2.10		\$2.10
SUPERVISION AND MANAGEMENT				\$15.76				\$15.76
OTHER EXPENSES			\$223.09					\$223.09
SUBTOTAL		0.09 HR	\$223.84	\$23.08		\$2.10		\$249.02

TOTAL OPERATING EXPENSES		5.95 HR	\$275.84	\$60.39	\$2.93	\$0.96	\$63.52	\$403.64
NET OPERATING PROFIT								(\$259.64)
INTEREST ON OPERATING CAPITAL	(	\$26.97	@	8.00%	)			\$2.16
INTEREST ON EQUIPMENT INVESTMENT								\$9.94
RETURN TO LAND AND RISK								(\$271.74)

BUDGET SUMMARY			
GROSS RETURN		\$144.00	
VARIABLE OPERATING EXPENSES	\$279.73		
RETURN OVER VARIABLE EXPENSES		(\$135.73)	(GROSS MARGIN)
FIXED EXPENSES	\$63.52		
NET FARM INCOME		(\$199.25)	(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$60.39		
NET OPERATING PROFIT		(\$259.64)	(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$12.09		
RETURN TO LAND AND RISK		(\$271.74)	

TABLE 9. Corn for silage, flood-irrigated, budgeted per acre costs and returns for an 80 acre farm, San Juan County, Projected 2006.
 Planting dates: May 1 - May 20
 Harvesting dates: September 1 - September 30

ITEM	PRICE	YIELD	TOTAL
GROSS RETURNS			
CORN SILAGE	\$38.00	21.00 TONS (HAULED)	\$798.00
TOTAL			\$798.00

PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS	FIXED COST	TOTAL
SEED	\$1.25	30 000	\$37.50		\$37.50
ANHYDROUS AMMONIA (NH3)	\$0.26	225 LBS	\$59.06		\$59.06
HERBICIDE	\$16.00	1 ACRE	\$16.00		\$16.00
CANAL WATER		48 AC. IN.		\$11.00	\$11.00
CANAL WATER (MAINTENANCE)		1 ACRE		\$8.00	\$8.00
SUBTOTAL			\$112.56	\$19.00	\$131.56

PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
PLOW	96 HP	0.67 HR		\$4.46	\$8.16	\$4.17	\$26.12	\$42.91
DISC (2X)	96 HP	0.34 HR		\$2.26	\$4.14	\$1.65	\$16.14	\$24.19
HARROW	96 HP	0.19 HR		\$1.26	\$2.31	\$0.40	\$4.00	\$7.97
FERTILIZE	96 HP	0.05 HR		\$0.33	\$0.61	\$0.10	\$0.64	\$1.68
CORRUGATE	40 HP	0.21 HR		\$1.40	\$1.57	\$0.75	\$5.62	\$9.34
PRE-IRRIGATE		0.75 HR		\$4.76				\$4.76
PLANTER	96 HP	0.26 HR		\$1.73	\$3.17	\$0.96	\$38.73	\$44.59
CULTIVATOR (2X)	40 HP	0.42 HR		\$2.79	\$3.14	\$1.49	\$11.24	\$18.67
IRRIGATE (9X)		4.50 HR		\$28.58				\$28.58
SUBTOTAL		7.39 HR		\$47.57	\$23.10	\$9.53	\$102.48	\$182.68

HARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
SILAGE CHOPPER, PTO	96 HP	0.71 HR		\$4.72	\$8.65	\$1.73	\$58.88	\$73.98
LOAD & HAUL	40 HP	0.71 HR		\$4.72	\$5.31	\$1.20	\$28.85	\$40.08
SUBTOTAL		1.42 HR		\$9.44	\$13.96	\$2.94	\$87.72	\$114.06

OVERHEAD EXPENSES	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
DOWNTIME	0.89 HR		\$5.92				\$5.92
EMPLOYEE BENEFITS			\$10.26				\$10.26
INSURANCE		\$1.14					\$1.14
LAND TAXES						\$2.10	\$2.10
SUPERVISION AND MANAGEMENT			\$62.14				\$62.14
OTHER EXPENSES		\$223.09					\$223.09
SUBTOTAL	0.89 HR		\$78.32			\$2.10	\$304.66

TOTAL OPERATING EXPENSES	9.70 HR		\$336.79	\$135.33	\$37.06	\$12.47	\$211.31	\$732.97
---------------------------------	----------------	--	-----------------	-----------------	----------------	----------------	-----------------	-----------------

NET OPERATING PROFIT								\$65.03
-----------------------------	--	--	--	--	--	--	--	----------------

INTEREST ON OPERATING CAPITAL	(	\$65.85	@	8.00%	)			\$5.27
INTEREST ON EQUIPMENT INVESTMENT								\$143.97

RETURN TO LAND AND RISK								(\$84.21)
--------------------------------	--	--	--	--	--	--	--	------------------

BUDGET SUMMARY			
GROSS RETURN		\$798.00	
VARIABLE OPERATING EXPENSES	\$386.32		
RETURN OVER VARIABLE EXPENSES	\$411.68		(GROSS MARGIN)
FIXED EXPENSES	\$211.31		
NET FARM INCOME	\$200.37		(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$135.33		
NET OPERATING PROFIT	\$65.03		(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$149.24		
RETURN TO LAND AND RISK			(\$84.21)

TABLE 10. Summary of per acre costs and returns for an 80 acre farm, San Juan County,
Projected 2006.

	ALFALFA ESTABLISHMENT	ALFALFA HAY	ANNUAL PASTURE ESTABLISHMENT	ANNUAL PASTURE	CORN FOR SILAGE
	TONS	TONS		AUMS	TONS
PRIMARY YIELD	2.25	5.00		12.00	21.00
PRIMARY PRICE	\$120.00	\$130.00		\$12.00	\$38.00
GOVERNMENT PAYMENTS	\$0.00	\$0.00		\$0.00	\$0.00
SECOND INCOME	\$10.00	\$20.00		\$0.00	\$0.00
GROSS RETURN	\$280.00	\$670.00		\$144.00	\$798.00
CASH OPERATING EXPENSES					
SEED	\$78.40		\$25.20		\$37.50
FERTILIZER	\$18.00	\$18.00	\$30.40	\$52.00	\$59.06
CHEMICALS		\$17.25			\$16.00
CROP INSURANCE					
OTHER PURCHASED INPUTS	\$9.64	\$21.43	\$0.00	\$0.00	\$0.00
CANAL WATER					
FUEL, OIL & LUBRICANTS-EQUIPMENT	\$26.29	\$19.93	\$20.10	\$2.93	\$37.06
FUEL-IRRIGATION					
REPAIRS	\$9.07	\$3.91	\$7.84	\$0.96	\$12.47
CUSTOM CHARGES					
LAND TAXES	\$2.10	\$2.10		\$2.10	\$2.10
OTHER EXPENSES	\$0.69	\$223.97	\$0.43	\$223.84	\$224.23
TOTAL CASH EXPENSES	\$144.20	\$306.60	\$83.97	\$281.83	\$388.43
RETURN OVER CASH EXPENSES	\$135.80	\$363.40	(\$83.97)	(\$137.83)	\$409.57
FIXED EXPENSES	\$175.35	\$183.26	\$129.50	\$61.41	\$209.21
TOTAL EXPENSES	\$319.55	\$489.86	\$213.47	\$343.25	\$597.63
NET FARM INCOME	(\$39.55)	\$180.14	(\$213.47)	(\$199.25)	\$200.37
LABOR AND MANAGEMENT COSTS	\$80.99	\$107.77	\$46.86	\$60.39	\$135.33
NET OPERATING PROFIT	(\$120.54)	\$72.37	(\$260.33)	(\$259.64)	\$65.03
CAPITAL COSTS					
INTEREST ON OPERATING CAPITAL	\$4.85	\$2.45		\$2.16	\$5.27
INTEREST ON EQUIPMENT INVESTMENT	\$96.84	\$79.47		\$9.94	\$143.97
TOTAL CAPITAL COSTS	\$101.69	\$81.92	\$0.00	\$12.09	\$149.24
RETURN TO LAND AND RISK	(\$222.22)	(\$9.55)	(\$260.33)	(\$271.74)	(\$84.21)

TABLE 11. Whole farm summary, San Juan County,
Projected 2006.

GROSS RETURNS		
OAT HAY	6.00 ACRES	
CROP		\$1,620
GRAZING		\$60
ALFALFA HAY	34.00 ACRES	
CROP		\$22,100
GRAZING		\$680
PASTURE	20.00 ACRES	
GRAZING		\$2,880
CORN FOR SILAGE	20.00 ACRES	
CROP		\$15,960
GROSS RETURN		<u>\$43,300</u>
CASH OPERATING EXPENSES		
SEED		\$1,246
FERTILIZER		\$2,972
CHEMICALS		\$907
CROP INSURANCE		\$0
OTHER PURCHASED INPUTS		\$786
CANAL WATER		\$0
FUEL, OIL & LUBRICANTS-EQUIPMENT		\$1,655
FUEL-IRRIGATION		\$0
REPAIRS		\$464
CUSTOM CHARGES		\$0
LAND TAXES		\$168
OTHER EXPENSES		\$16,581
TOTAL CASH EXPENSES		<u>\$24,779</u>
RETURN OVER CASH EXPENSES		\$18,521
FIXED EXPENSES		\$11,219
TOTAL EXPENSES		\$35,997
NET FARM INCOME		\$7,303
LABOR AND MANAGEMENT COSTS		\$8,111
NET OPERATING PROFIT		(\$809)
CAPITAL COSTS		
INTEREST ON OPERATING CAPITAL		\$261
INTEREST ON EQUIPMENT INVESTMENT		\$6,361
TOTAL CAPITAL COSTS		<u>\$6,622</u>
RETURN TO LAND AND RISK		<u>(\$7,431)</u>

LAND VALUE	RETURN TO RISK*	RETURN ON INVESTMENT**
\$1,000 /ACRE	(\$9,831)	-0.64%
\$2,500 /ACRE	(\$13,431)	-0.33%
\$4,000 /ACRE	(\$17,031)	-0.22%
\$5,500 /ACRE	(\$20,631)	-0.17%
\$7,000 /ACRE	(\$24,231)	-0.13%
\$8,500 /ACRE	(\$27,831)	-0.11%

* 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)