

MICROCOMPUTER CROP COST AND RETURN GENERATOR

BUDGET AREA..... VALENCIA & SOUTHERN BERNALILLO COUNT
FARM SIZE..... 100.00 ACRES
IRRIGATION TYPE..... FLOOD
NUMBER OF CROPS..... 4

VERSION 1.0

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TABLE 1. Acreage Summary, Valencia and Souther Bernalillo Counties, Projected 2006.

BUDGET AREA..... VALENCIA & SOUTHERN BERNALILLO COUNTIES			
FARM SIZE..... 100 ACRES			
IRRIGATION TYPE..... FLOOD			
NUMBER OF CROPS... 4			
WATER USE			
ACREAGE SUMMARY:	LAND USE (ACRES)	AC.IN. PER AC.	TOTAL AC.IN.
ALFALFA ESTABLISHMENT	12.00 *	12	144
ALFALFA	71.00	44	3,124
SMALL GRAIN HAY	10.00	24	240
SORGHUM HAY	10.00 *	24	240
CORN SILAGE	10.00	42	420
ROADS, HOMESTEAD	9.00		
TOTAL	100.00		4,168
ACRE FEET PER ACRE OF WATER RIGHTS			3.47

* DOUBLE-CROPPED

TABLE 2. Basic cost information for Valencia and Southern Bernalillo Counties, Projected 2006.

Item			
Labor Wage Rate:		\$/hour	\$5.15
Purchased Inputs:			
Fertilizer:			
Nitrogen (N)		\$/pound	\$0.52
Phosphate (P205)		\$/pound	\$0.40
Anhydrous Ammonia (NH3)		\$/ton	\$525.00
Seed:			
Alfalfa		\$/pound	\$3.20
Oats		\$/pound	\$0.32
Corn		\$/bag	\$100.00
Sorghum		\$/pound	\$1.22
Baling Wire		\$/pound	\$0.50
Canal water		\$/acre	\$28.00
Energy:			
Butane		\$/gallon	\$1.95
Diesel fuel		\$/gallon	\$2.10
Gasoline		\$/gallon	\$2.00
Electricity		Cents/KwHr	11.75
Natural Gas		\$/MCF	\$3.28
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	8.00%
Land Interest Rate		percent	8.00%
Equipment Interest Rate		percent	8.00%
Real Interest Rate		percent	3.00%
Land Taxes		\$483.00 /acre (full value)	\$5.09
Personal Property Tax Rate	- NR	\$/\$/1,000 (Assessed Value)	\$31.59
	- R		\$26.59
Supervision Factors			
Irrigation		\$/labor hour	\$1.00
Equipment & General		\$/labor hour	\$0.50
Management Rate		percent	7.00%

TABLE 3. Overhead cost information for Valencia and Southern Bernalillo Counties, Projected 2006.

Item			
Electricity (Domestic & Shop)		\$116.60 per month	\$1,399
Telephone		\$84.80 per month	\$1,018
Accounting & Legal			\$509
Misc. Supplies & Hand Tools			\$514
Pickup and Auto			
miles	10,918	@ \$0.415 per mile	\$4,531
Insurance			
- general liability (non-employee)			\$1,076
- fire/theft			\$721
Property Taxes			
- non-planted land			\$0
- other than land & machinery			\$6,010
Building repairs and maintenance			\$541
Dues, fees, publications			\$286
Farmstead Equipment			\$175
Total			\$16,779
Total per planted acre			\$184.39

TABLE 4 - Equipment summary for a 100 acre farm with above average management, Valencia and Sotham Bernallio Counties
Project 2005

Table with columns: EQUIPMENT, ANNUAL HOURS OF USE, NUMBER, TOTAL VALUE, FUEL OIL LUBRICANT REPAIR, FUEL OIL PER HR, LUBE PER HR, ACCUM PER HR, DEPRECIATION, TAXES, TOTAL PER HR. Rows include tractor, tractor PTO, baler PTO, disc, disc PTO, disc PTO, disc PTO, disc PTO, disc PTO, disc PTO, disc PTO, disc PTO, disc PTO, disc PTO, disc PTO, disc PTO, disc PTO, disc PTO, disc PTO, disc PTO, disc PTO.

EQUIPMENT LIST

Table with columns: ITEM, NEW VALUE, USED VALUE, YEARS LIFE, EQUIP CODE, MAX HOURS, FUEL UNITS, LUBE COEF, ACCUM HOURS, INTEREST AGE EXPENSE. Rows include tractor, tractor PTO, baler PTO, disc, disc PTO, disc PTO, disc PTO, disc PTO, disc PTO, disc PTO, disc PTO, disc PTO, disc PTO, disc PTO, disc PTO, disc PTO, disc PTO, disc PTO, disc PTO, disc PTO.

USAGE LIST

Table with columns: ALFALFA EST, ALFALFA HAY, SMALL GRAN, SORGHUM, CORN FOR SILAGE, PER ACRE TOTAL. Rows include tractor, tractor PTO, baler PTO, disc, disc PTO, disc PTO, disc PTO, disc PTO, disc PTO, disc PTO, disc PTO, disc PTO, disc PTO, disc PTO, disc PTO, disc PTO, disc PTO, disc PTO, disc PTO, disc PTO.

INTEREST PROPORTION

Table with columns: ALFALFA EST, SMALL GRAN, SORGHUM, CORN FOR SILAGE. Rows include tractor, tractor PTO, baler PTO, disc, disc PTO, disc PTO, disc PTO, disc PTO, disc PTO, disc PTO, disc PTO, disc PTO, disc PTO, disc PTO, disc PTO, disc PTO, disc PTO, disc PTO, disc PTO, disc PTO.

ALFALFA ESTABLISHMENT

Table with columns: MACHINE, POWER UNIT, TIMES OVER, RATE, TOTAL, CUSTOM. Rows include disc, plow, laser plane (custom), border disc, drill, irrigate (x).

ALFALFA HAY

Table with columns: MACHINE, POWER UNIT, TIMES OVER, RATE, TOTAL, CUSTOM. Rows include irrigate (x), swather (x), baler PTO (x), bale wagon (x).

SMALL GRAN HAY

Table with columns: MACHINE, POWER UNIT, TIMES OVER, RATE, TOTAL, CUSTOM. Rows include plow, disc (x), laser plane, border disc, drill, irrigate (x), swather, baler PTO, bale wagon.

SORGHUM HAY

Table with columns: MACHINE, POWER UNIT, TIMES OVER, RATE, TOTAL, CUSTOM. Rows include disc, drill, irrigate (x), swather (x), baler PTO (x), bale wagon.

CORN SILAGE

Table with columns: MACHINE, POWER UNIT, TIMES OVER, RATE, TOTAL, CUSTOM. Rows include plow, disc (x), laser plane, lister-planter, disc PTO, irrigate (x).

ANNUAL REPAIR COSTS AS A PERCENT OF NEW VALUE

Table with columns: Hours of Use (1-8), 1, 2, 3, 4, 5, 6, 7, 8, 9. Rows include tractor, tractor PTO, baler PTO, disc, disc PTO, disc PTO, disc PTO, disc PTO, disc PTO, disc PTO, disc PTO, disc PTO, disc PTO, disc PTO, disc PTO, disc PTO, disc PTO, disc PTO, disc PTO, disc PTO.

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

** Based on "Agricultural Machinery Data" in Agriculture Engineers Yearbook, 1983.

Codes

- 1 tractor
2 baler, combine, forage harrow, windrower, pickups
3 rotary row, disk, moldboard plow, chisel, field cultivator
4 harrow, weeper, field, row sub, drag, roller, water frame
5 lister planter
6 weed harrow, belt truck
7 roller, engine, mowing machine, bush chopper
8 planter, drill, seeding equipment, mounted sprayers
9 fertilizer distributing equipment

TABLE 5. Alfalfa establishment, flood-irrigated, budgeted per acre costs and returns for a 100 acre farm with above average management, Valencia and Southern Bernalillo Counties
 Projected 2006.
 Planting dates: August 15 - September 15

ITEM	PRICE	QUANTITY	PURCHASED INPUTS				TOTAL	
PURCHASED INPUTS								
SEED	\$3.20	20 LBS		\$64.00			\$64.00	
PHOSPHATE (P2O5)	\$0.40	90 LBS		\$36.00			\$36.00	
NITROGEN (N)	\$0.52	35 LBS		\$18.20			\$18.20	
CANAL WATER		12 AC. IN.						
SUBTOTAL				\$118.20			\$118.20	
PREHARVEST OPERATIONS								
	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
DISC	96 HP	0.17 HR		\$0.88	\$2.07	\$0.83	\$9.85	\$13.62
PLOW	96 HP	0.67 HR		\$3.45	\$8.16	\$4.17	\$36.63	\$52.41
DISC	96 HP	0.17 HR		\$0.88	\$2.07	\$0.83	\$9.85	\$13.62
LASER PLANE (CUSTOM)			\$70.71					\$70.71
BORDER DISC	50 HP	0.05 HR		\$0.26	\$0.37	\$0.10	\$5.53	\$6.26
DRILL	50 HP	0.25 HR		\$1.29	\$1.87	\$0.49	\$14.98	\$18.62
IRRIGATE (2X)		1.00 HR		\$5.15				\$5.15
SUBTOTAL		2.31 HR	\$70.71	\$11.90	\$14.54	\$6.41	\$76.83	\$180.40
OVERHEAD EXPENSES								
DOWNTIME		0.33 HR		\$1.69				\$1.69
EMPLOYEE BENEFITS				\$2.14				\$2.14
INSURANCE			\$0.24					\$0.24
SUPERVISION AND MANAGEMENT				\$22.56				\$22.56
SUBTOTAL		0.33 HR	\$0.24	\$26.38				\$26.62
TOTAL OPERATING EXPENSES		2.64 HR	\$189.15	\$38.28	\$14.54	\$6.41	\$76.83	\$325.22

TABLE 6. Alfalfa hay, flood-irrigated, budgeted per acre costs and returns for a 100 acre farm with above average management, Valencia and Southern Bernalillo Counties, 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	1.00 ACRE						\$10.00	
TOTAL								\$660.00	
PURCHASED INPUTS									
PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS				FIXED COST	TOTAL	
PHOSPHATE (P2O5)	\$0.40	90 LBS	\$36.00					\$36.00	
INSECTICIDE (CUSTOM)	\$21.71	1 X/ACRE	\$21.71					\$21.71	
WIRE	\$0.36	43 LBS	\$15.39					\$15.39	
ESTABLISHMENT: Principal		6 YEARS					\$54.20	\$54.20	
: Interest							\$12.33	\$12.33	
CANAL WATER		44 AC. IN.	\$28.00					\$28.00	
SUBTOTAL			\$101.10				\$66.54	\$167.64	
PREHARVEST OPERATIONS									
PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL	
IRRIGATE (8X)		4.00 HR		\$20.60				\$20.60	
HARVEST OPERATIONS									
SWATHER (4X)	14 FT.	0.64 HR		\$3.30	\$5.03	\$0.37	\$20.42	\$29.12	
BALER, PTO (4X)	50 HP	0.84 HR		\$4.33	\$6.28	\$1.04	\$15.95	\$27.60	
BALE WAGON (CUSTOM) (2X)			\$23.40					\$23.40	
SUBTOTAL		1.48 HR	\$23.40	\$7.62	\$11.32	\$1.41	\$36.37	\$80.11	
OVERHEAD EXPENSES									
DOWNTIME		0.37 HR		\$1.91				\$1.91	
EMPLOYEE BENEFITS				\$5.08				\$5.08	
INSURANCE			\$0.56					\$0.56	
LAND TAXES							\$5.09	\$5.09	
SUPERVISION AND MANAGEMENT				\$50.94				\$50.94	
OTHER EXPENSES			\$184.39					\$184.39	
SUBTOTAL		0.37 HR	\$184.95	\$57.93				\$5.09	\$247.96
TOTAL OPERATING EXPENSES		5.85 HR	\$309.45	\$86.15	\$11.32	\$1.41	\$107.99	\$516.31	
NET OPERATING PROFIT								\$143.69	
INTEREST ON OPERATING CAPITAL		(\$53.56 @ 8.00%)						\$4.28	
INTEREST ON EQUIPMENT INVESTMENT								\$26.32	
RETURN TO LAND AND RISK								\$113.08	
BUDGET SUMMARY									
GROSS RETURN		\$660.00							
VARIABLE OPERATING EXPENSES	\$322.17								
RETURN OVER VARIABLE EXPENSES	\$337.83	(GROSS MARGIN)							
FIXED EXPENSES	\$107.99								
NET FARM INCOME	\$229.84	(RETURN TO CAPITAL, LABOR, LAND & RISK)							
LABOR AND MANAGEMENT COST	\$86.15								
NET OPERATING PROFIT	\$143.69	(RETURN TO CAPITAL, LAND & RISK)							
CAPITAL COSTS	\$30.61								
RETURN TO LAND AND RISK								\$113.08	

TABLE 7. Small grain hay, flood-irrigated, budgeted per acre costs and returns for a 100 acre farm with above average management, Valencia and Southern Bernalillo Counties, Projected 2006.
 Planting dates: March 1 - May 1
 Harvesting dates: June 15 - July 15

ITEM	PRICE	YIELD						TOTAL
GROSS RETURNS								
SMALL GRAIN HAY	\$120.00	2.50 TONS (STACKED)						\$300.00
TOTAL								\$300.00
PURCHASED INPUTS								
PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS				FIXED COST	TOTAL
SEED	\$0.32	80 LBS	\$25.60					\$25.60
WIRE	\$0.36	26 LBS	\$9.31					\$9.31
CANAL WATER		24 AC. IN.	\$28.00					\$28.00
SUBTOTAL			\$62.91					\$62.91
PREHARVEST OPERATIONS								
PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
PLOW	96 HP	0.67 HR		\$3.45	\$8.16	\$4.17	\$36.63	\$52.41
DISC (2X)	96 HP	0.34 HR		\$1.75	\$4.14	\$1.65	\$19.69	\$27.24
PLANE	96 HP	0.24 HR		\$1.24	\$2.92	\$0.52	\$25.71	\$30.39
BORDER DISC	50 HP	0.05 HR		\$0.26	\$0.37	\$0.10	\$5.53	\$6.26
DRILL	50 HP	0.25 HR		\$1.29	\$1.87	\$0.49	\$14.98	\$18.62
IRRIGATE (4X)		2.00 HR		\$10.30				\$10.30
SUBTOTAL		3.55 HR		\$18.28	\$17.47	\$6.93	\$102.54	\$145.23
HARVEST OPERATIONS								
SWATHER	14 FT.	0.16 HR		\$0.82	\$1.26	\$0.09	\$5.10	\$7.28
BALER, PTO	50 HP	0.21 HR		\$1.08	\$1.57	\$0.26	\$3.99	\$6.90
BALEWAGON			\$27.30					\$27.30
SUBTOTAL		0.37 HR		\$1.91	\$2.83	\$0.35	\$9.09	\$41.48
OVERHEAD EXPENSES								
DOWNTIME		0.48 HR		\$2.47				\$2.47
EMPLOYEE BENEFITS				\$3.63				\$3.63
INSURANCE			\$0.40					\$0.40
LAND TAXES							\$2.54	\$2.54
SUPERVISION AND MANAGEMENT				\$23.96				\$23.96
OTHER EXPENSES			\$92.19					\$92.19
SUBTOTAL		0.48 HR	\$92.60	\$30.07			\$2.54	\$125.20
TOTAL OPERATING EXPENSES		4.40 HR	\$155.50	\$50.25	\$20.30	\$7.28	\$114.18	\$374.82
NET OPERATING PROFIT								(\$74.82)
INTEREST ON OPERATING CAPITAL		(\$37.82	@	8.00%)		\$3.03
INTEREST ON EQUIPMENT INVESTMENT								\$28.03
RETURN TO LAND AND RISK								(\$105.88)

BUDGET SUMMARY		
GROSS RETURN		\$300.00
VARIABLE OPERATING EXPENSES	\$183.09	
RETURN OVER VARIABLE EXPENSES	\$116.91	(GROSS MARGIN)
FIXED EXPENSES	\$114.18	
NET FARM INCOME	\$2.74	(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$50.25	
NET OPERATING PROFIT	(\$47.52)	(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$31.06	
RETURN TO LAND AND RISK	(\$78.58)	

TABLE 8. Sorghum hay, flood-irrigated, budgeted per acre costs and returns for a 100 acre farm with above average management, Valencia and Southern Bernalillo Count
 Projected 2006.
 Planting dates: July 1 - July 31
 Harvesting dates: August 10 - September 30

ITEM	PRICE	YIELD	TOTAL
GROSS RETURNS			
SORGHUM HAY	\$105.00	2.00 TONS (STACKED)	\$210.00
GRAZING	\$5.00	1.00 ACRE	\$5.00
TOTAL			\$215.00

PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS	FIXED COST	TOTAL
SEED	\$1.22	35 LBS	\$42.70		\$42.70
WIRE	\$0.36	17 LBS	\$6.09		\$6.09
CANAL WATER		24 AC. IN.	\$28.00		\$28.00
SUBTOTAL			\$76.79		\$76.79

PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
DISC	96 HP	0.17 HR		\$0.88	\$2.07	\$0.83	\$9.85	\$13.62
DRILL	50 HP	0.25 HR		\$1.29	\$1.87	\$0.49	\$14.98	\$18.62
IRRIGATE (4X)		2.00 HR		\$10.30				\$10.30
SUBTOTAL		2.42 HR		\$12.46	\$3.94	\$1.31	\$24.82	\$42.54

HARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
SWATHER (2X)	14 FT.	0.32 HR		\$1.65	\$2.52	\$0.19	\$10.21	\$14.56
BALER, PTO (2X)	50 HP	0.42 HR		\$2.16	\$3.14	\$0.52	\$7.98	\$13.80
BALEWAGON			\$23.40					\$23.40
SUBTOTAL		0.74 HR		\$3.81	\$5.66	\$0.70	\$18.18	\$51.76

OVERHEAD EXPENSES	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
DOWNTIME	0.29 HR		\$1.49				\$1.49
EMPLOYEE BENEFITS			\$2.93				\$2.93
INSURANCE		\$0.33					\$0.33
LAND TAXES						\$2.54	\$2.54
SUPERVISION AND MANAGEMENT			\$17.63				\$17.63
OTHER EXPENSES		\$92.19					\$92.19
SUBTOTAL	0.29 HR	\$92.52	\$22.05			\$2.54	\$117.11

TOTAL OPERATING EXPENSES	3.45 HR	\$169.30	\$38.33	\$9.60	\$2.02	\$45.55	\$288.19
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NET OPERATING PROFIT							(\$73.19)
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INTEREST ON OPERATING CAPITAL	(\$40.24	@	8.00%)		\$3.22
INTEREST ON EQUIPMENT INVESTMENT							\$28.03

RETURN TO LAND AND RISK							(\$104.45)
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BUDGET SUMMARY

GROSS RETURN		\$215.00	
VARIABLE OPERATING EXPENSES	\$180.92		
RETURN OVER VARIABLE EXPENSES		\$34.08	(GROSS MARGIN)
FIXED EXPENSES	\$45.55		
NET FARM INCOME		(\$11.47)	(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$38.33		
NET OPERATING PROFIT		(\$49.79)	(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$31.25		
RETURN TO LAND AND RISK		(\$81.05)	

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TABLE 9. Corn silage, flood-irrigated, budgeted per acre costs and returns for a 100 acre farm with above average management, Valencia and Southern Bernalillo Counties, Projected 2006.
 Planting dates: May 1 - June 15
 Harvesting dates: August 15 - September 30

ITEM	PRICE	YIELD	TOTAL
GROSS RETURNS			
CORN SILAGE	\$16.00	20.00 TONS (STANDING)	\$320.00
TOTAL			\$320.00

PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS	FIXED COST	TOTAL
SEED	\$1.25	30 000	\$37.50		\$37.50
ANHYDROUS AMMONIA (NH3)	\$0.26	125 LBS	\$32.81		\$32.81
HERBICIDE (GRANULAR)	\$6.85	1 ACRE	\$6.85		\$6.85
INSECTICIDE (GRANULAR)	\$34.24	1 ACRE	\$34.24		\$34.24
CANAL WATER		42 AC. IN.	\$28.00		\$28.00
SUBTOTAL			\$139.40		\$139.40

PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
PLOW	96 HP	0.67 HR		\$3.45	\$8.16	\$4.17	\$36.63	\$52.41
DISC (2X)	96 HP	0.34 HR		\$1.75	\$4.14	\$1.65	\$19.69	\$27.24
LAND PLANE	96 HP	0.24 HR		\$1.24	\$2.92	\$0.52	\$25.71	\$30.39
LISTER/PLANTER	96 HP	0.26 HR		\$1.34	\$3.17	\$1.16	\$113.64	\$119.30
CULTIVATOR (2X)	50 HP	0.42 HR		\$2.16	\$3.14	\$1.23	\$26.84	\$33.38
IRRIGATE (8X)		4.00 HR		\$20.60				\$20.60
SUBTOTAL		5.93 HR		\$30.54	\$21.53	\$8.74	\$222.52	\$283.33

OVERHEAD EXPENSES

DOWNTIME		0.48 HR		\$2.48				\$2.48
EMPLOYEE BENEFITS				\$5.50				\$5.50
INSURANCE			\$0.61					\$0.61
LAND TAXES							\$5.09	\$5.09
SUPERVISION AND MANAGEMENT				\$27.37				\$27.37
OTHER EXPENSES			\$184.39					\$184.39
SUBTOTAL		0.48 HR	\$185.00	\$35.35			\$5.09	\$225.43

TOTAL OPERATING EXPENSES 6.41 HR \$324.40 \$65.89 \$21.53 \$8.74 \$227.60 \$648.16

NET OPERATING PROFIT (\$328.16)

INTEREST ON OPERATING CAPITAL (\$77.27 @ 8.00%) \$6.18
 INTEREST ON EQUIPMENT INVESTMENT \$129.43

RETURN TO LAND AND RISK (\$463.78)

BUDGET SUMMARY

GROSS RETURN		\$320.00	
VARIABLE OPERATING EXPENSES	\$354.67		
RETURN OVER VARIABLE EXPENSES		(\$34.67)	(GROSS MARGIN)
FIXED EXPENSES	\$227.60		
NET FARM INCOME		(\$262.27)	(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$65.89		
NET OPERATING PROFIT		(\$328.16)	(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$135.61		
RETURN TO LAND AND RISK		(\$463.78)	

TABLE 10. Summary of per acre costs and returns for a 100 acre farm with above average average management, Projected 2006.

	ALFALFA ESTABLISHMENT	ALFALFA HAY	SMALL GRAIN HAY	SORGHUM HAY	CORN FOR SILAGE
		TONS	TONS	TONS	TONS
PRIMARY YIELD		5.00	2.50	2.00	20.00
PRIMARY PRICE		\$130.00	\$120.00	\$105.00	\$16.00
GOVERNMENT PAYMENTS		\$0.00	\$0.00	\$0.00	\$0.00
SECOND INCOME		\$10.00	\$0.00	\$5.00	\$0.00
GROSS RETURN		\$660.00	\$300.00	\$215.00	\$320.00
CASH OPERATING EXPENSES					
SEED	\$64.00		\$25.60	\$42.70	\$37.50
FERTILIZER	\$54.20	\$36.00			\$32.81
CHEMICALS		\$21.71			\$41.09
CROP INSURANCE					
OTHER PURCHASED INPUTS		\$15.39	\$9.31	\$6.09	
CANAL WATER		\$28.00	\$28.00	\$28.00	\$28.00
FUEL, OIL & LUBRICANTS-EQUIPMENT	\$14.54	\$11.32	\$20.30	\$9.60	\$21.53
FUEL-IRRIGATION					
REPAIRS	\$6.41	\$1.41	\$7.28	\$2.02	\$8.74
CUSTOM CHARGES	\$70.71	\$23.40			
LAND TAXES		\$5.09	\$2.54	\$2.54	\$5.09
OTHER EXPENSES	\$0.24	\$184.95	\$92.60	\$92.52	\$185.00
TOTAL CASH EXPENSES	\$210.10	\$327.26	\$185.63	\$183.46	\$359.76
RETURN OVER CASH EXPENSES	(\$210.10)	\$332.74	\$114.37	\$31.54	(\$39.76)
FIXED EXPENSES	\$76.83	\$102.90	\$111.64	\$43.01	\$222.52
TOTAL EXPENSES	\$286.94	\$430.16	\$297.26	\$226.47	\$582.27
NET FARM INCOME	(\$286.94)	\$229.84	\$2.74	(\$11.47)	(\$262.27)
LABOR AND MANAGEMENT COSTS	\$38.28	\$86.15	\$50.25	\$38.33	\$65.89
NET OPERATING PROFIT	(\$325.22)	\$143.69	(\$47.52)	(\$49.79)	(\$328.16)
CAPITAL COSTS					
INTEREST ON OPERATING CAPITAL		\$4.28	\$3.03	\$3.22	\$6.18
INTEREST ON EQUIPMENT INVESTMENT		\$26.32	\$28.03	\$28.03	\$129.43
TOTAL CAPITAL COSTS	\$0.00	\$30.61	\$31.06	\$31.25	\$135.61
RETURN TO LAND AND RISK	(\$325.22)	\$113.08	(\$78.58)	(\$81.05)	(\$463.78)

TABLE 11. Whole farm summary, Valencia and Southern Bernalillo Counties,
Projected 2006.

GROSS RETURNS		
ALFALFA HAY	71.00 ACRES	
CROP		\$46,150
GRAZING		\$710
SMALL GRAIN HAY	10.00 ACRES	
CROP		\$3,000
SORGHUM HAY	10.00 ACRES	
CROP		\$2,100
GRAZING		\$50
CORN FOR SILAGE	10.00 ACRES	
CROP		\$3,200
GROSS RETURN		\$55,210
CASH OPERATING EXPENSES		
SEED		\$1,826
FERTILIZER		\$3,535
CHEMICALS		\$1,952
CROP INSURANCE		\$0
OTHER PURCHASED INPUTS		\$1,247
CANAL WATER		\$2,828
FUEL, OIL & LUBRICANTS-EQUIPMENT		\$1,492
FUEL-IRRIGATION		\$0
REPAIRS		\$357
CUSTOM CHARGES		\$2,510
LAND TAXES		\$463
OTHER EXPENSES		\$16,835
TOTAL CASH EXPENSES		\$33,045
RETURN OVER CASH EXPENSES		\$22,165
FIXED EXPENSES		\$8,151
TOTAL EXPENSES		\$41,196
NET FARM INCOME		\$14,014
LABOR AND MANAGEMENT COSTS		\$8,121
NET OPERATING PROFIT		\$5,893
CAPITAL COSTS		
INTEREST ON OPERATING CAPITAL		\$428
INTEREST ON EQUIPMENT INVESTMENT		\$3,724
TOTAL CAPITAL COSTS		\$4,152
RETURN TO LAND AND RISK		\$1,741

LAND VALUE	RETURN TO RISK*	RETURN ON INVESTMENT**
\$5,000 /ACRE	(\$13,259)	1.09%
\$6,500 /ACRE	(\$17,759)	0.86%
\$8,000 /ACRE	(\$22,259)	0.70%
\$9,500 /ACRE	(\$26,759)	0.60%
\$11,000 /ACRE	(\$31,259)	0.52%
\$12,500 /ACRE	(\$35,759)	0.46%

* 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)