

MICROCOMPUTER CROP COST AND RETURN GENERATOR

BUDGET AREA.....	CARLSBAD BASIN, EDDY COUNTY,	Projected 2011.
FARM SIZE... ..	200 ACRES	
IRRIGATION TYPE.....	FLOOD	
NUMBER OF CROPS.....	6	

VERSION 1.0

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TABLE 1. Acreage Summary, Eddy County, Carlsbad Basin area, Projected 2011.

BUDGET AREA..... CARLSBAD BASIN, EDDY COUNTY			
FARM SIZE.....	200 ACRES		
IRRIGATION TYPE.....	FLOOD		
NUMBER OF CROPS.....	6		
	WATER USE		
ACREAGE SUMMARY:	LAND USE (ACRES)	AC. IN. PER ACRE	TOTAL AC. IN.
ALFALFA ESTABLISHMENT *	25.00	8	200
ALFALFA	100.00	48	4,800
BARLEY	4.25	20	85
ARP	0.00		
FLEX IN PICKER COTTON	0.75	22	17
PICKER COTTON	51.00	22	1,122
ARP	0.00		
FLEX IN PICKER COTTON	9.00	22	198
STRIPPER COTTON	0.00	0	0
ARP	0.00		
FLEX	0.00		0
SUDAN	10.00	24	240
RED CHILE	5.00	48	240
ROADS, DITCHES, BORDERS, HOMESTEAD	20.00		
TOTAL	200.00		6,902
ACRE FEET PER ACRE OF WATER RIGHTS			2.88

* DOUBLE-CROPPED

TABLE 2. Basic cost information for the Carlsbad Basin, Eddy County, Projected 2011.

Item			
Labor Wage Rate:			
Equipment operators		\$/hour	\$7.50
General & Irrigators		\$/hour	\$7.25
Purchased Inputs:			
Fertilizer:			
Nitrogen (N)		\$/pound	\$0.71
Phosphate (P ₂ O ₅)		\$/pound	\$0.65
Canal water	3 AC. FT.	\$/acre	\$49.00
Wire		\$/lb.	\$0.61
Seed:			
Alfalfa		\$/pound	\$3.30
Cotton		\$/pound	\$2.15
Picker Stripper		\$/pound	\$2.15
Barley		\$/pound	\$0.51
Sudan		\$/pound	\$0.51
Diesel fuel		\$/gallon	\$2.95
Gasoline		\$/gallon	\$3.05
Electricity		cents/KwHr	\$6.68
Natural Gas		\$/MCF	\$10.00
LP Gas		\$/gallon	\$2.55
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	6.00%
Equipment Interest Rate		percent	7.00%
Real Interest Rate		percent	3.00%
Land Taxes		\$250.00 /acre (full value)	\$1.96
Personal Property Tax Rate - NR		\$/(\$1,000 (Assessed Value)	\$23.52
- R			\$24.07
Supervision Factors			
Field Crop-Irrigation		\$/labor hour	\$1.00
Field Crop-Equipment & General		\$/labor hour	\$0.50
Vegetable Crop-Irrigation		\$/labor hour	\$2.90
Vegetable Crop-Equip & General		\$/labor hour	\$1.00
Management Rate			
Field Crops		percent/GR	7.00%
Vegetable Crops		percent/TOE	10.00%

TABLE 3. Overhead cost information for the Carlsbad Basin, Eddy County, Projected 2011.

Item			
Electricity (Domestic & Shop)		\$237.16 per month	\$2,846
Telephone		\$118.58 per month	\$1,423
Accounting & Legal			\$1,632
Misc. Supplies & Hand Tools			\$2,505
Pickup and Auto			
miles	24,200	@ \$0.500 per mile	\$12,100
Insurance			
- general liability (non-employee)			\$1,838
- fire/theft			\$1,483
Property Taxes			
- non-planted land			\$0
- other than land & machinery			\$6,010
Fixed Costs: Pump			\$1,610
Building repairs and maintenance			\$1,483
Dues, fees, publications			\$424
Farmstead Equipment			\$174
		Total	\$33,529
		Total Per Planted Acre	\$186.27

Category	2017-18	2016-17
Revenue	100.00	100.00
Expenditure	100.00	100.00
Surplus/Deficit	0.00	0.00

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Expenditure	100.00	100.00
Surplus/Deficit	0.00	0.00

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Expenditure	100.00	100.00
Surplus/Deficit	0.00	0.00

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Expenditure	100.00	100.00
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Expenditure	100.00	100.00
Surplus/Deficit	0.00	0.00

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Expenditure	100.00	100.00
Surplus/Deficit	0.00	0.00

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Revenue	100.00	100.00
Expenditure	100.00	100.00
Surplus/Deficit	0.00	0.00

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Revenue	100.00	100.00
Expenditure	100.00	100.00
Surplus/Deficit	0.00	0.00

Category	2017-18	2016-17
Revenue	100.00	100.00
Expenditure	100.00	100.00
Surplus/Deficit	0.00	0.00

Category	2017-18	2016-17
Revenue	100.00	100.00
Expenditure	100.00	100.00
Surplus/Deficit	0.00	0.00

Category	2017-18	2016-17
Revenue	100.00	100.00
Expenditure	100.00	100.00
Surplus/Deficit	0.00	0.00

Category	2017-18	2016-17
Revenue	100.00	100.00
Expenditure	100.00	100.00
Surplus/Deficit	0.00	0.00

TABLE 6. Alfalfa establishment, flood-irrigated, budgeted per acre costs and returns for a 200 acre farm with above average management, Carlsbad Basin, Projected 2011.

Planting dates: August 20 - September 30								
ITEM	PRICE	QUANTITY	PURCHASED INPUTS				TOTAL	
PURCHASED INPUTS								
SEED	3.30	25.00 LBS						\$82.50
CANAL WATER	49.00	8.00 AC. IN.						\$392.00
PUMP WATER		0.00 AC. IN.						
SUBTOTAL								\$474.50
PREHARVEST OPERATIONS								
	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
DISC	145 HP	0.17 HR		\$1.28	\$4.14	\$1.15	\$3.02	\$9.58
PLOW	145 HP	0.67 HR		\$5.03	\$16.30	\$5.44	\$12.25	\$39.02
DISC (3X)	145 HP	0.51 HR		\$3.83	\$12.41	\$3.45	\$9.05	\$28.74
LASER (CUSTOM)			\$73.33					\$73.33
RIPPER	145 HP	0.27 HR		\$2.03	\$6.57	\$1.32	\$35.57	\$45.48
DISC	145 HP	0.17 HR		\$1.28	\$4.14	\$1.15	\$3.02	\$9.58
DRAG	96 HP	0.17 HR		\$1.28	\$3.16	\$0.35	\$1.63	\$6.42
BORDER DISC (2X)	27 HP	0.10 HR		\$0.75	\$1.14	\$0.15	\$0.59	\$2.63
DRILL	96 HP	0.21 HR		\$1.58	\$3.90	\$0.66	\$13.25	\$19.38
IRRIGATE (2X)		1.00 HR		\$7.25	\$0.00	\$0.00	\$0.00	\$7.25
SUBTOTAL		3.27 HR	\$73.33	\$24.28	\$51.76	\$13.67	\$78.37	\$241.40
OVERHEAD EXPENSES								
DOWNTIME		0.57 HR		\$4.26				\$4.26
EMPLOYEE BENEFITS				\$4.37				\$4.37
INSURANCE			\$0.49					\$0.49
SUPERVISION AND MANAGEMENT				\$24.81				\$24.81
SUBTOTAL		0.57 HR	\$0.49	\$33.43				\$33.92
TOTAL OPERATING EXPENSES		3.84 HR	\$548.32	\$57.71	\$51.76	\$13.67	\$78.37	\$357.82

TABLE 7. Alfalfa hay, flood-irrigated, budgeted per acre costs and returns for a 200 acre farm with above average management, Carlsbad Basin, Projected 2011.
Harvesting dates: May 20 - October 15

ITEM	PRICE	YIELD	TOTAL
GROSS RETURNS			
ALFALFA HAY	\$165.00	6.0 TONS (STACKED)	\$990.00
GRAZING	\$10.00	1.0 ACRE	\$10.00
TOTAL			\$1,000.00

PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS	FIXED COST	TOTAL
NITROGEN (N)	\$0.71	36 LBS	\$25.56		\$25.56
PHOSPHATE (P205)	\$0.65	92 LBS	\$59.80		\$59.80
INSECTICIDE (CUSTOM)	\$27.53	1 X/ACRE	\$27.53		\$27.53
HERBICIDE (CUSTOM)	\$26.23	1 X/ACRE	\$26.23		\$26.23
WIRE	\$0.61	51 LBS	\$31.11		\$31.11
ESTABLISHMENT: Principal		4 YEARS		\$89.46	\$89.46
: Interest				\$12.64	\$12.64
CANAL WATER		48 AC. IN.	\$49.00		\$49.00
PUMP WATER*		0 AC. IN.			\$0.00
SUBTOTAL			\$219.23	\$102.09	\$321.32

PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
BORDER DISC (6X)	27 HP	0.30 HR		\$2.25	\$3.42	\$0.44	\$1.77	\$7.88
FERTILIZE	DEALER APPLIED							
IRRIGATE (8X)		4.00 HR		\$29.00	\$0.00	\$0.00	\$0.00	\$29.00
SUBTOTAL		4.30 HR		\$31.25	\$3.42	\$0.44	\$1.77	\$36.88

HARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
SWATHER (6X)	14 FT SP	0.80 HR		\$6.00	\$8.84	\$0.46	\$15.64	\$30.94
RAKE (4X)	96 HP	0.48 HR		\$3.60	\$8.92	\$1.20	\$5.33	\$19.05
BALER (6X)	145 HP	1.26 HR		\$9.45	\$30.66	\$5.28	\$20.38	\$65.77
BALEWAGON			\$57.60					\$57.60
SUBTOTAL		2.54 HR	\$57.60	\$19.05	\$48.41	\$6.95	\$41.34	\$173.35

OVERHEAD EXPENSES	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
DOWNTIME	0.71 HR		\$5.33				\$5.33
EMPLOYEE BENEFITS			\$9.05				\$9.05
INSURANCE		\$1.01					\$1.01
LAND TAXES						\$1.96	\$1.96
SUPERVISION AND MANGEMENT			\$75.42				\$75.42
OTHER EXPENSES		\$186.27					\$186.27
SUBTOTAL	0.71 HR	\$187.28	\$89.80			\$1.96	\$279.03

TOTAL OPERATING EXPENSES	7.55 HR	\$464.11	\$140.10	\$51.84	\$7.38	\$147.17	\$810.59
NET OPERATING PROFIT							\$189.41
INTEREST ON OPERATING CAPITAL	(\$115.19	@	7.00%)		\$8.06
INTEREST ON EQUIPMENT INVESTMENT							\$32.26
RETURN TO LAND AND RISK							\$149.09

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

BUDGET SUMMARY

GROSS RETURN		\$1,000.00	
VARIABLE OPERATING EXPENSES	\$523.32		
RETURN OVER VARIABLE EXPENSES	\$476.68	(GROSS MARGIN)	
FIXED EXPENSES	\$147.17		
NET FARM INCOME	\$329.51	(RETURN TO CAPITAL, LABOR, LAND & RISK)	
LABOR AND MANAGEMENT COST	\$140.10		
NET OPERATING PROFIT	\$189.41	(RETURN TO CAPITAL, LAND & RISK)	
CAPITAL COSTS	\$40.32		
RETURN TO LAND AND RISK		\$149.09	

TABLE 8. Barley, flood-irrigated, budgeted per acre costs and returns for a 200 acre farm with above average management, Carlsbad Basin, Projected 2011.
Planting dates: August 20 - September 30
Harvesting dates: June 15 - July 1

ITEM	PRICE	YIELD	BASE					TOTAL	
GROSS RETURNS									
BARLEY	\$6.12	25.0 CWT						\$153.00	
DIRECT PAYMENT	\$0.00	25.0 CWT	0.85					\$0.00	
COUNTER CYCLICAL PAYMENT	\$0.00							\$0.00	
GRAZING	\$40.00	1.0 ACRE						\$40.00	
TOTAL								\$193.00	
PURCHASED INPUTS									
	PRICE	QUANTITY	PURCHASED INPUTS					FIXED COST	TOTAL
SEED	\$0.28	110 LBS	\$30.80						\$30.80
NITROGEN (N)	\$0.71	40 LBS	\$28.40						\$28.40
HERBICIDE	\$14.11	1 X/ACRE	\$14.11						\$14.11
CANAL WATER		20 AC. IN.	\$49.00						\$49.00
PUMP WATER*		0 AC. IN.							\$0.00
CROP INSURANCE	\$11.76		\$11.76						\$11.76
SUBTOTAL			\$134.07						\$134.07
PREHARVEST OPERATIONS									
	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL	
PLOW	145 HP	0.67 HR		\$5.03	\$16.30	\$5.44	\$12.25	\$39.02	
DISC (2X)	145 HP	0.34 HR		\$2.55	\$8.27	\$2.30	\$6.04	\$19.16	
DRAG	96 HP	0.17 HR		\$1.28	\$3.16	\$0.35	\$1.63	\$6.42	
BORDER DISC	27 HP	0.05 HR		\$0.38	\$0.57	\$0.07	\$0.30	\$1.31	
DRILL	96 HP	0.21 HR		\$1.58	\$3.90	\$0.66	\$13.25	\$19.38	
IRRIGATE (5X)		2.50 HR		\$18.13	\$0.00	\$0.00	\$0.00	\$18.13	
SUBTOTAL		3.94 HR		\$28.93	\$32.21	\$8.83	\$33.46	\$103.42	
HARVEST OPERATIONS									
COMBINE (CUSTOM)			\$14.68					\$14.68	
HAUL (CUSTOM)			\$7.80					\$7.80	
SUBTOTAL			\$22.48					\$22.48	
OVERHEAD EXPENSES									
DOWNTIME		0.36 HR		\$2.70				\$2.70	
EMPLOYEE BENEFITS				\$5.21				\$5.21	
INSURANCE			\$0.58				\$0.58		
LAND TAXES						\$1.96	\$1.96		
SUPERVISION AND MANGEMENT				\$13.93				\$13.93	
OTHER EXPENSES			\$186.27				\$186.27		
SUBTOTAL		0.36 HR	\$186.85	\$21.84			\$1.96	\$210.64	
TOTAL OPERATING EXPENSES		4.30 HR	\$343.40	\$50.76	\$32.21	\$8.83	\$35.42	\$470.61	
NET OPERATING PROFIT								(\$277.61)	
INTEREST ON OPERATING CAPITAL		(\$79.17 @	7.00%)				\$5.54	
INTEREST ON EQUIPMENT INVESTMENT								\$19.73	
RETURN TO LAND AND RISK								(\$302.89)	

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

BUDGET SUMMARY

GROSS RETURN		\$193.00	
VARIABLE OPERATING EXPENSES	\$384.43		
RETURN OVER VARIABLE EXPENSES	(\$191.43)	(GROSS MARGIN)	
FIXED EXPENSES	\$35.42		
NET FARM INCOME	(\$226.85)	(RETURN TO CAPITAL, LABOR, LAND & RISK)	
LABOR AND MANAGEMENT COST	\$50.76		
NET OPERATING PROFIT	(\$277.61)	(RETURN TO CAPITAL, LAND & RISK)	
CAPITAL COSTS	\$25.27		
RETURN TO LAND AND RISK		(\$302.89)	

TABLE 9. Sudan, flood-irrigated, budgeted per acre costs and returns for a 200 acre farm with above average management, Carlsbad Basin, Projected 2011.
 Planting Dates: August 20 - September 30
 Harvesting dates: June 15 - July 1

ITEM	PRICE	YIELD		TOTAL
GROSS RETURNS				
GRAZING	\$145.00	0 TON	(STACKED)	\$0.00
TOTAL				\$0.00

PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS	FIXED COST	TOTAL
SEED	\$0.51	25 LBS	\$12.75		\$12.75
NITROGEN (N)	\$0.71	250 LBS	\$177.50		\$177.50
PHOSPHATE (P2O5)	\$0.65	60 LBS	\$39.00		\$39.00
CANAL WATER		24 AC. IN.	\$49.00		\$49.00
PUMP WATER*		0 AC. IN.			\$0.00
SUBTOTAL			\$278.25		\$278.25

PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
PLOW	145 HP	0.67 HR		\$5.03	\$16.30	\$5.44	\$12.25	\$39.02
DISC (2X)	145 HP	0.28 HR		\$2.10	\$6.81	\$1.89	\$4.97	\$15.78
DRAG	96 HP	0.17 HR		\$1.28	\$3.16	\$0.35	\$1.63	\$6.42
BORDER DISC	27 HP	0.05 HR		\$0.38	\$0.57	\$0.07	\$0.30	\$1.31
DRILL	96 HP	0.21 HR		\$1.58	\$3.90	\$0.66	\$13.25	\$19.38
IRRIGATE (6X)		3.00 HR		\$21.75	\$0.00	\$0.00	\$0.00	\$21.75
SUBTOTAL		4.38 HR		\$32.10	\$30.75	\$8.42	\$32.39	\$103.66

OVERHEAD EXPENSES

DOWNTIME		0.35 HR		\$2.59				\$2.59
EMPLOYEE BENEFITS				\$5.78				\$5.78
INSURANCE			\$0.64					\$0.64
LAND TAXES							\$1.96	\$1.96
SUPERVISION AND MANGEMENT				\$3.69				\$3.69
OTHER EXPENSES			\$186.27					\$186.27
SUBTOTAL		0.35 HR	\$186.91	\$12.06			\$1.96	\$200.93

TOTAL OPERATING EXPENSES 4.73 HR \$465.16 \$44.16 \$30.75 \$8.42 \$34.35 \$582.84

NET OPERATING PROFIT (\$582.84)

INTEREST ON OPERATING CAPITAL (\$148.92 @ 7.00%) \$10.42

INTEREST ON EQUIPMENT INVESTMENT \$19.00

RETURN TO LAND AND RISK (\$612.26)

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

BUDGET SUMMARY

GROSS RETURN		\$0.00	
VARIABLE OPERATING EXPENSES	\$504.33		
RETURN OVER VARIABLE EXPENSES	(\$504.33)	(GROSS MARGIN)	
FIXED EXPENSES	\$34.35		
NET FARM INCOME	(\$538.68)	(RETURN TO CAPITAL, LABOR, LAND & RISK)	
LABOR AND MANAGEMENT COST	\$44.16		
NET OPERATING PROFIT	(\$582.84)	(RETURN TO CAPITAL, LAND & RISK)	
CAPITAL COSTS	\$29.42		
RETURN TO LAND AND RISK	(\$612.26)		

TABLE 10. Upland cotton (picker), flood-irrigated, budgeted per acre costs and returns for a 200 acre farm with above average management, Carlsbad Basin, Projected 2011.
 Planting dates: April 15 - May 15
 Harvesting dates: October 15 - January 15

ITEM	PRICE	YIELD	BASE	TOTAL
GROSS RETURNS				
COTTON LINT	\$0.85	675 LBS		\$573.75
COTTON SEED	\$0.07	1,080 LBS		\$75.60
DIRECT PAYMENT	\$0.0000	675 LBS	0.85	\$0.00
COUNTER CYCLICAL PAYMENT	\$0.1373	675 LBS	0.85	\$78.78
TOTAL				\$728.13

PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS	FIXED COST	TOTAL
SEED	\$2.15	20 LBS	\$43.00		\$43.00
NITROGEN (N)	\$0.71	20 LBS	\$14.20		\$14.20
PHOSPHATE (P205)	\$0.65	40 LBS	\$26.00		\$26.00
HERBICIDE	\$13.22	1 ACRE	\$13.22		\$13.22
INSECTICIDE (CUSTOM)	\$27.39	2 X/ACRE	\$54.78		\$54.78
CROP INSURANCE		FCIC	\$0.82		\$0.82
CANAL WATER		22 AC. IN.	\$49.00		\$49.00
PUMP WATER*		0 AC. IN.			\$0.00
SUBTOTAL			\$201.03		\$201.03

PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
PLOW	145 HP	0.67 HR		\$5.03	\$16.30	\$5.44	\$12.25	\$39.02
DISC	145 HP	0.17 HR		\$1.28	\$4.14	\$1.15	\$3.02	\$9.59
DRAG	96 HP	0.17 HR		\$1.28	\$3.16	\$0.35	\$1.63	\$6.42
DISC & SPRAY	145 HP	0.20 HR		\$1.50	\$4.87	\$1.35	\$3.55	\$11.27
LISTER	96 HP	0.18 HR		\$1.35	\$3.34	\$0.73	\$4.81	\$10.23
FERTILIZE	DEALER APPLIED							
PRE-IRRIGATE		0.75 HR		\$5.44	\$0.00	\$0.00	\$0.00	\$5.44
ROLLING CULTIVATOR	96 HP	0.21 HR		\$1.58	\$3.90	\$0.96	\$6.25	\$12.68
PLANTER	96 HP	0.26 HR		\$1.95	\$4.83	\$0.96	\$12.73	\$20.47
CULTIVATOR (4X)	27 HP	0.84 HR		\$6.30	\$9.58	\$6.11	\$14.84	\$36.83
HOEING			\$20.00					\$20.00
IRRIGATE (3X)		1.50 HR		\$10.88	\$0.00	\$0.00	\$0.00	\$10.88
SUBTOTAL		4.95 HR	\$20.00	\$36.56	\$50.12	\$17.06	\$59.07	\$182.81

HARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
COTTON PICKER (CUSTOM)			\$101.05					\$101.05
HAUL	80 HP	0.50 HR		\$3.75	\$9.29	\$1.05	\$7.54	\$21.63
GIN COTTON (CUSTOM)			\$101.05					\$101.05
SUBTOTAL		0.50 HR	\$202.10	\$3.75	\$9.29	\$1.05	\$7.54	\$223.72

POSTHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
SHREDDER	80 HP	0.29 HR		\$2.18	\$5.39	\$0.66	\$4.89	\$13.11
SUBTOTAL		0.29 HR		\$2.18	\$5.39	\$0.66	\$4.89	\$13.11

OVERHEAD EXPENSES	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
DOWNTIME		0.83 HR		\$6.23				\$6.23
EMPLOYEE BENEFITS				\$7.65				\$7.65
INSURANCE			\$0.85					\$0.85
LAND TAXES						\$1.96		\$1.96
SUPERVISION AND MANGEMENT				\$54.88				\$54.88
OTHER EXPENSES			\$186.27					\$186.27
SUBTOTAL		0.83 HR	\$187.12	\$68.75			\$1.96	\$257.83

TOTAL OPERATING EXPENSES 6.57 HR \$610.24 \$111.24 \$64.79 \$18.77 \$73.46 \$878.51

NET OPERATING PROFIT (\$150.38)

INTEREST ON OPERATING CAPITAL (\$119.68 @ 7.00%) \$8.38
 INTEREST ON EQUIPMENT INVESTMENT \$45.50

RETURN TO LAND AND RISK (\$204.26)

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

BUDGET SUMMARY				
GROSS RETURN		\$728.13		
VARIABLE OPERATING EXPENSES	\$693.81			
RETURN OVER VARIABLE EXPENSES		\$34.32	(GROSS MARGIN)	
FIXED EXPENSES	\$73.46			
NET FARM INCOME		(\$39.14)	(RETURN TO CAPITAL, LABOR, LAND & RISK)	
LABOR AND MANAGEMENT COST	\$111.24			
NET OPERATING PROFIT		(\$150.38)	(RETURN TO CAPITAL, LAND & RISK)	
CAPITAL COSTS	\$53.88			
RETURN TO LAND AND RISK		(\$204.26)		

TABLE 11. Upland cotton (stripper), flood-irrigated, budgeted per acre costs and returns for a 200 acre farm with above average management, Carlsbad Basin, Projected 2011.
 Planting dates: April 15 - May 15
 Harvesting dates: October 15 - January 15

ITEM	PRICE	YIELD	BASE					TOTAL	
GROSS RETURNS									
COTTON LINT	\$0.81	675 LBS						\$546.75	
COTTON SEED	\$0.07	1,080 LBS						\$75.60	
DIRECT PAYMENT	\$0.0000	675 LBS	0.85					\$0.00	
COUNTER CYCLICAL PAYMENT	\$0.1373	675 LBS	0.85					\$78.78	
TOTAL								\$701.13	
PURCHASED INPUTS									
PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS					FIXED COST	TOTAL
SEED	\$2.15	20 LBS	\$43.00						\$43.00
NITROGEN (N)	\$0.71	20 LBS	\$14.20						\$14.20
PHOSPHATE (P205)	\$0.65	40 LBS	\$26.00						\$26.00
HERBICIDE	\$13.22	1 X/ACRE	\$13.22						\$13.22
INSECTICIDE (CUSTOM)	\$25.95	2 X/ACRE	\$51.89						\$51.89
CROP INSURANCE		FCIC	\$8.69						\$8.69
CANAL WATER		22 AC. IN.	\$49.00						\$49.00
PUMP WATER*		0 AC. IN.							\$0.00
SUBTOTAL			\$206.00						\$206.00
PREHARVEST OPERATIONS									
PURCHASED INPUTS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL	
PLOW	145 HP	0.67 HR		\$5.03	\$16.30	\$5.44	\$12.25	\$39.02	
DISC	145 HP	0.17 HR		\$1.28	\$4.14	\$1.15	\$3.02	\$9.58	
DRAG	96 HP	0.17 HR		\$1.28	\$3.16	\$0.35	\$1.63	\$6.42	
DISC & SPRAY	145 HP	0.20 HR		\$1.50	\$4.87	\$1.35	\$3.55	\$11.27	
LISTER	96 HP	0.18 HR		\$1.35	\$3.34	\$0.73	\$4.81	\$10.23	
FERTILIZE	DEALER APPLIED								
PRE-IRRIGATE		0.75 HR		\$5.44	\$0.00	\$0.00	\$0.00	\$5.44	
ROLLING CULTIVATOR	96 HP	0.21 HR		\$1.58	\$3.90	\$0.96	\$6.25	\$12.68	
PLANTER	96 HP	0.26 HR		\$1.95	\$4.83	\$0.96	\$12.73	\$20.47	
CULTIVATOR (4X)	27 HP	0.84 HR		\$6.30	\$9.58	\$6.11	\$14.84	\$36.83	
IRRIGATE (2X)		1.00 HR		\$7.25	\$0.00	\$0.00	\$0.00	\$7.25	
SUBTOTAL		4.45 HR		\$32.94	\$50.12	\$17.06	\$59.07	\$159.19	
HARVEST OPERATIONS									
COTTON STRIPPER (CUSTOM)			\$121.10					\$121.10	
HAUL	96 HP	0.75 HR		\$5.63	\$13.93	\$1.58	\$11.31	\$32.44	
GIN COTTON (CUSTOM)			\$121.10					\$121.10	
SUBTOTAL		0.75 HR	\$242.19	\$5.63	\$13.93	\$1.58	\$11.31	\$274.63	
POSTHARVEST OPERATIONS									
SHREDDER	80 HP	0.29 HR		\$2.18	\$5.39	\$0.66	\$4.89	\$13.11	
SUBTOTAL		0.29 HR		\$2.18	\$5.39	\$0.66	\$4.89	\$13.11	
OVERHEAD EXPENSES									
DOWNTIME		0.94 HR		\$7.01				\$7.01	
EMPLOYEE BENEFITS				\$7.33				\$7.33	
INSURANCE			\$0.81					\$0.81	
LAND TAXES						\$1.96		\$1.96	
SUPERVISION AND MANGEMENT				\$52.36				\$52.36	
OTHER EXPENSES			\$186.27					\$186.27	
SUBTOTAL		0.94 HR	\$187.08	\$66.71			\$1.96	\$255.75	
TOTAL OPERATING EXPENSES		6.43 HR	\$635.28	\$107.45	\$69.44	\$19.30	\$77.23	\$908.69	
NET OPERATING PROFIT								(\$207.56)	
INTEREST ON OPERATING CAPITAL		(\$122.60 @ 7.00%)						\$8.58	
INTEREST ON EQUIPMENT INVESTMENT								\$47.69	
RETURN TO LAND AND RISK								(\$263.84)	

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

GROSS RETURN		\$701.13	
VARIABLE OPERATING EXPENSES	\$724.01		
RETURN OVER VARIABLE EXPENSES		(\$22.88)	(GROSS MARGIN)
FIXED EXPENSES	\$77.23		
NET FARM INCOME		(\$100.11)	(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$107.45		
NET OPERATING PROFIT		(\$207.56)	(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$56.28		
RETURN TO LAND AND RISK		(\$263.84)	

TABLE 12. Red chile, flood-irrigated, budgeted per acre costs and returns for a 200 acre farm with above average management, Carlsbad Basin, Projected 2011.
 Planting dates: April 1 - April 15
 Harvesting dates: September 1 - October 30

ITEM	PRICE	YIELD	TOTAL
GROSS RETURNS			
RED CHILE	\$1.00	3,200 LBS	\$3,200.00
TOTAL			\$3,200.00

PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS	FIXED COST	TOTAL
SEED	22	8 LBS	\$176.00		\$176.00
NITROGEN (N)	0.71	200 LBS	\$142.00		\$142.00
PHOSPHATE (P205)	0.65	60 LBS	\$39.00		\$39.00
HERBICIDE (CUSTOM)	31.0784	1 X/ACRE	\$31.08		\$31.08
INSECTICIDE (CUSTOM)	44.48	1 X/ACRE	\$44.48		\$44.48
CROP INSURANCE		40 DOLLARS	\$40.00		\$40.00
CANAL WATER		48 AC. IN.	\$49.00		\$49.00
SUBTOTAL			\$521.56		\$521.56

PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
DISC	145 HP	0.17 HR		\$1.28	\$4.14	\$1.15	\$3.02	\$9.58
FLOW	145 HP	0.48 HR		\$3.60	\$11.68	\$3.90	\$8.77	\$27.95
DISC (2X)	145 HP	0.34 HR		\$2.55	\$8.27	\$2.30	\$6.04	\$19.16
FLOAT	96 HP	0.16 HR		\$1.20	\$2.97	\$0.33	\$1.54	\$6.04
FERTILIZE (CUSTOM)	DEALER APPLIED							
LISTER	145 HP	0.18 HR		\$1.35	\$4.38	\$1.07	\$5.50	\$12.30
PRE-IRRIGATE		0.05 HR		\$0.36	\$0.00	\$0.00	\$28.99	\$29.35
CULTIVATOR	96 HP	0.21 HR		\$1.58	\$3.90	\$1.74	\$4.34	\$11.55
PLANTER	96 HP	0.26 HR		\$1.95	\$4.83	\$0.96	\$12.73	\$20.47
CULTIVATOR (2X)	27 HP	0.42 HR		\$3.15	\$4.79	\$3.06	\$7.42	\$18.42
THIN & HOE (2X)			\$80.00					\$80.00
IRRIGATE (7X)		3.50 HR		\$25.38	\$0.00	\$0.00	\$0.00	\$25.38
SUBTOTAL		5.60 HR	\$80.00	\$42.39	\$44.96	\$14.51	\$78.33	\$260.20

HARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
HAND PICK			\$640.00					\$640.00
FIELD HAUL	96 HP	1.00 HR		\$7.50	\$18.57	\$2.10	\$22.72	\$60.89
HAUL (CUSTOM)			\$96.00					\$96.00
SUBTOTAL		1.00 HR	\$736.00	\$7.50	\$18.57	\$2.10	\$22.72	\$786.89

POSTHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
SHREDDER	27 HP	0.29 HR		\$2.18	\$3.31	\$0.37	\$4.03	\$9.88

OVERHEAD EXPENSES	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
DOWNTIME		0.88 HR		\$6.58				\$6.58
EMPLOYEE BENEFITS				\$7.63				\$7.63
INSURANCE			\$0.85					\$0.85
LAND TAXES						\$1.96		\$1.96
SUPERVISION AND MANGEMENT				\$117.40				\$117.40
OTHER EXPENSES			\$186.27					\$186.27
SUBTOTAL		0.88 HR	\$187.12	\$131.61		\$1.96		\$320.69

TOTAL OPERATING EXPENSES		7.77 HR	\$1,524.68	\$183.67	\$66.85	\$16.98	\$107.04	\$1,899.22
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NET OPERATING PROFIT								\$1,300.78
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INTEREST ON OPERATING CAPITAL		(\$341.22 @ 7.00%)						\$23.89
INTEREST ON EQUIPMENT INVESTMENT								\$242.65

RETURN TO LAND AND RISK								\$1,034.25
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* Pump water costs are shown under irrigation in the preharvest operations section.

BUDGET SUMMARY

GROSS RETURN		\$3,200.00	
VARIABLE OPERATING EXPENSES	\$1,608.50		
RETURN OVER VARIABLE EXPENSES		\$1,591.50	(GROSS MARGIN)
FIXED EXPENSES	\$107.04		
NET FARM INCOME		\$1,484.46	(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$183.67		
NET OPERATING PROFIT		\$1,300.78	(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$266.53		
RETURN TO LAND AND RISK		\$1,034.25	

TABLE 13. Summary of per acre costs and returns for a 200 acre farm with above average management, Carlsbad Basin, Eddy County, Projected 2011.

	ALFALFA ESTABLISHMENT	ALFALFA HAY	BARLEY	SUDAN	PICKER COTTON	STRIPPER COTTON	RED CHILE
		TONS	CWT	ACRE	LBS	LBS	CWT
PRIMARY YIELD		6.00	25.00	0.00	675.00	0.00	3,200.00
PRIMARY PRICE		\$165.00	\$6.12	\$145.00	\$0.85	\$0.00	\$1.00
GOVERNMENT PAYMENTS		\$0.00	\$0.00	\$0.00	\$78.78	\$0.00	\$0.00
SECOND INCOME		\$10.00	\$40.00	\$0.00	\$75.60	\$0.00	\$0.00
GROSS RETURN		\$1,000.00	\$193.00	\$0.00	\$728.13	\$0.00	\$3,200.00
CASH OPERATING EXPENSES							
SEED	\$82.50		\$30.80	\$12.75	\$43.00	\$0.00	\$176.00
FERTILIZER		\$85.36	\$28.40	\$216.50	\$40.20	\$0.00	\$181.00
CHEMICALS		\$53.76	\$14.11		\$68.01	\$0.00	\$75.56
CROP INSURANCE			\$11.76		\$0.82	\$0.00	\$40.00
OTHER PURCHASED INPUTS		\$31.11					
CANAL WATER	\$392.00	\$49.00	\$49.00	\$49.00	\$49.00	\$0.00	\$49.00
FUEL, OIL & LUBRICANTS-EQUIPMENT	\$51.76	\$51.84	\$32.21	\$30.75	\$64.79	\$0.00	\$66.85
FUEL-IRRIGATION	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
REPAIRS	\$13.67	\$7.38	\$8.83	\$8.42	\$18.77	\$0.00	\$16.98
CUSTOM CHARGES	\$73.33	\$57.60	\$22.48		\$222.10	\$0.00	\$816.00
LAND TAXES		\$1.96	\$1.96	\$1.96	\$1.96	\$0.00	\$1.96
OTHER EXPENSES	\$0.49	\$187.28	\$186.85	\$186.91	\$187.12	\$0.00	\$187.12
TOTAL CASH EXPENSES	\$613.74	\$525.28	\$386.39	\$506.29	\$695.77	\$0.00	\$1,610.46
RETURN OVER CASH EXPENSES	(\$613.74)	\$474.72	(\$193.39)	(\$506.29)	\$32.36	\$0.00	\$1,589.54
FIXED EXPENSES	\$78.37	\$145.21	\$33.46	\$32.39	\$71.50	\$0.00	\$105.08
TOTAL EXPENSES	\$692.11	\$670.49	\$419.85	\$538.68	\$767.27	\$0.00	\$1,715.54
NET FARM INCOME	(\$692.11)	\$329.51	(\$226.85)	(\$538.68)	(\$39.14)	\$0.00	\$1,484.46
LABOR AND MANAGEMENT COSTS	\$57.71	\$140.10	\$50.76	\$44.16	\$111.24	\$0.00	\$183.67
NET OPERATING PROFIT	(\$749.82)	\$189.41	(\$277.61)	(\$582.84)	(\$150.38)	\$0.00	\$1,300.78
CAPITAL COSTS							
INTEREST ON OPERATING CAPITAL		\$8.06	\$5.54	\$10.42	\$8.38	\$0.00	\$23.89
INTEREST ON EQUIPMENT INVESTMENT		\$32.26	\$19.73	\$19.00	\$45.50	\$0.00	\$242.65
TOTAL CAPITAL COSTS	\$0.00	\$40.32	\$25.27	\$29.42	\$53.88	\$0.00	\$266.53
RETURN TO LAND AND RISK	(\$749.82)	\$149.09	(\$302.89)	(\$612.26)	(\$204.26)	\$0.00	\$1,034.25

TABLE 14. Whole farm budget summary, Carlsbad Basin, Eddy County,
Projected 2011.

GROSS RETURNS		
ALFALFA HAY	100 ACRES	
CROP		\$99,000
GRAZING		\$1,000
BARLEY	4.25 ACRES	
CROP		\$650
DIRECT PAYMENT		\$0
COUNTER CYCLICAL PAYMENT		\$0
GRAZING		\$170
UPLAND COTTON	60.75 ACRES	
COTTON LINT		\$34,855
COTTON SEED		\$4,593
DIRECT PAYMENT		\$0
COUNTER CYCLICAL PAYMENT		\$4,786
STRIPPER COTTON	0 ACRES	
COTTON LINT		\$0
COTTON SEED		\$0
DIRECT PAYMENT		\$0
COUNTER CYCLICAL PAYMENT		\$0
SUDAN	10 ACRES	
GRAZING		\$0
RED CHILE	5 ACRES	
CROP		\$16,000
GROSS RETURN		<u>\$161,054</u>
CASH OPERATING EXPENSES		
SEED		\$5,813.15
FERTILIZER		\$14,169
CHEMICALS		\$9,945
CROP INSURANCE		\$300
OTHER PURCHASED INPUTS		\$3,111
CANAL WATER		\$18,620
FUEL, OIL & LUBRICANTS-EQUIPMENT		\$11,192
FUEL-IRRIGATION		\$0
REPAIRS		\$2,427
CUSTOM CHARGES		\$25,261
LAND TAXES		\$353
OTHER EXPENSES		\$33,706
TOTAL CASH EXPENSES		<u>\$124,897</u>
RETURN OVER CASH EXPENSES		\$36,157
FIXED EXPENSES		\$12,870
TOTAL EXPENSES		<u>\$137,767</u>
NET FARM INCOME		\$23,287
LABOR AND MANAGEMENT COSTS		\$23,786
NET OPERATING PROFIT		(\$499)
CAPITAL COSTS		
INTEREST ON OPERATING CAPITAL		\$1,563
INTEREST ON EQUIPMENT INVESTMENT		\$7,477
TOTAL CAPITAL COSTS		<u>\$9,039</u>
RETURN TO LAND AND RISK		<u>(\$9,539)</u>

LAND VALUE	RETURN TO RISK*	RETURN ON INVESTMENT**
\$750 /ACRE	(\$14,039)	-0.001923191
\$1,500 /ACRE	#####	-0.001218991
\$2,250 /ACRE	#####	-0.000892274
\$3,000 /ACRE	#####	-0.000703674

* 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)