

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 2015
 Planting dates: August 15 - September 15

ITEM	PRICE	QUANTITY	PURCHASED INPUTS						TOTAL	
PURCHASED INPUTS										
SEED	\$6.00	20 LBS	\$120.00						\$120.00	
PHOSPHATE (P2O5)	\$0.40	90 LBS	\$36.00						\$36.00	
NITROGEN (N)	\$0.45	35 LBS	\$15.75						\$15.75	
CANAL WATER		12 AC. IN.								
SUBTOTAL			\$171.75						\$171.75	
PREHARVEST OPERATIONS										
	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL		
DISC	96 HP	0.17 HR		\$1.28	\$2.59	\$0.63	\$6.88	\$11.38		
PLOW	96 HP	0.67 HR		\$5.03	\$10.20	\$3.42	\$24.93	\$43.57		
DISC	96 HP	0.17 HR		\$1.28	\$2.59	\$0.63	\$6.88	\$11.38		
LASER PLANE (CUSTOM)			\$70.71						\$70.71	
BORDER DISC	50 HP	0.05 HR		\$0.38	\$0.47	\$0.10	\$5.54	\$6.48		
DRILL	50 HP	0.25 HR		\$1.88	\$2.34	\$0.49	\$14.99	\$19.69		
IRRIGATE (2X)		1.00 HR		\$7.50						\$7.50
SUBTOTAL		2.31 HR	\$70.71	\$17.33	\$18.18	\$5.27	\$59.22	\$170.71		
OVERHEAD EXPENSES										
DOWNTIME		0.33 HR		\$2.46						\$2.46
EMPLOYEE BENEFITS				\$3.12						\$3.12
INSURANCE			\$0.35						\$0.35	
SUPERVISION AND MANAGEMENT				\$25.63						\$25.63
SUBTOTAL		0.33 HR	\$0.35	\$31.20						\$31.55
TOTAL OPERATING EXPENSES		2.64 HR	\$242.81	\$48.53	\$18.18	\$5.27	\$59.22	\$374.01		

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 2015
Harvesting dates: June 1 - October 15

ITEM	PRICE	YIELD						TOTAL	
GROSS RETURNS									
ALFALFA HAY	\$245.00	5.00 TONS (STACKED)						\$1,225.00	
GRAZING	\$10.00	1.00 ACRE						\$10.00	
TOTAL								\$1,235.00	
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					\$62.33	\$62.33	
: Interest							\$10.55	\$10.55	
CANAL WATER		44 AC. IN.	\$28.00					\$28.00	
SUBTOTAL			\$101.10				\$72.88	\$173.99	
PREHARVEST OPERATIONS									
PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL	
IRRIGATE (8X)		4.00 HR		\$30.00				\$30.00	
HARVEST OPERATIONS									
SWATHER (4X)	14 FT.	0.64 HR		\$4.80	\$8.39	\$0.37	\$20.45	\$34.01	
BALER, PTO (4X)	50 HP	0.84 HR		\$6.30	\$7.85	\$1.04	\$15.98	\$31.17	
BALE WAGON (CUSTOM) (2X)			\$23.40					\$23.40	
SUBTOTAL		1.48 HR	\$23.40	\$11.10	\$16.24	\$1.41	\$36.43	\$88.58	
OVERHEAD EXPENSES									
DOWNTIME		0.37 HR		\$2.78				\$2.78	
EMPLOYEE BENEFITS				\$7.40				\$7.40	
INSURANCE			\$0.82					\$0.82	
LAND TAXES							\$5.18	\$5.18	
SUPERVISION AND MANAGEMENT				\$91.19				\$91.19	
OTHER EXPENSES			\$217.62					\$217.62	
SUBTOTAL		0.37 HR	\$218.45	\$101.36				\$5.18	\$324.99
TOTAL OPERATING EXPENSES		5.85 HR	\$342.95	\$142.46	\$16.24	\$1.41	\$114.50	\$617.56	
NET OPERATING PROFIT								\$617.44	
INTEREST ON OPERATING CAPITAL		(\$53.97	@	5.50%)			
INTEREST ON EQUIPMENT INVESTMENT								\$18.10	
RETURN TO LAND AND RISK								\$596.38	
BUDGET SUMMARY									
GROSS RETURN		\$1,235.00							
VARIABLE OPERATING EXPENSES	\$360.60								
RETURN OVER VARIABLE EXPENSES	\$874.40	(GROSS MARGIN)							
FIXED EXPENSES	\$114.50								
NET FARM INCOME	\$759.91	(RETURN TO CAPITAL, LABOR, LAND & RISK)							
LABOR AND MANAGEMENT COST	\$142.46								
NET OPERATING PROFIT	\$617.44	(RETURN TO CAPITAL, LAND & RISK)							
CAPITAL COSTS	\$21.07								
RETURN TO LAND AND RISK	\$596.38								

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 2015
 Planting dates: March 1 - May 1
 Harvesting dates: June 15 - July 15

ITEM	PRICE	YIELD						TOTAL
GROSS RETURNS								
SMALL GRAIN HAY	\$225.00	2.50 TONS (STACKED)						\$562.50
TOTAL							\$562.50	
PURCHASED INPUTS								
	PRICE	QUANTITY	PURCHASED INPUTS				FIXED COST	TOTAL
SEED	\$0.64	80 LBS	\$51.20					\$51.20
WIRE	\$0.36	26 LBS	\$9.31					\$9.31
CANAL WATER		24 AC. IN.	\$28.00					\$28.00
SUBTOTAL			\$88.51					\$88.51
PREHARVEST OPERATIONS								
	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
PLOW	96 HP	0.67 HR		\$5.03	\$10.20	\$3.42	\$24.93	\$43.57
DISC (2X)	96 HP	0.34 HR		\$2.55	\$5.18	\$1.27	\$13.76	\$22.75
PLANE	96 HP	0.24 HR		\$1.80	\$3.65	\$0.25	\$21.54	\$27.24
BORDER DISC	50 HP	0.05 HR		\$0.38	\$0.47	\$0.10	\$5.54	\$6.48
DRILL	50 HP	0.25 HR		\$1.88	\$2.34	\$0.49	\$14.99	\$19.69
IRRIGATE (4X)		2.00 HR		\$15.00				\$15.00
SUBTOTAL		3.55 HR		\$26.63	\$21.84	\$5.52	\$80.76	\$134.74
HARVEST OPERATIONS								
SWATHER	14 FT.	0.16 HR		\$1.20	\$2.10	\$0.09	\$5.11	\$8.50
BALER, PTO	50 HP	0.21 HR		\$1.58	\$1.96	\$0.26	\$3.99	\$7.79
BALEWAGON			\$27.30					\$27.30
SUBTOTAL		0.37 HR		\$2.78	\$4.06	\$0.35	\$9.11	\$43.59
OVERHEAD EXPENSES								
DOWNTIME		0.48 HR		\$3.60				\$3.60
EMPLOYEE BENEFITS				\$5.29				\$5.29
INSURANCE			\$0.59					\$0.59
LAND TAXES							\$2.59	\$2.59
SUPERVISION AND MANAGEMENT				\$42.34				\$42.34
OTHER EXPENSES			\$108.81					\$108.81
SUBTOTAL		0.48 HR	\$109.40	\$51.23			\$2.59	\$163.22
TOTAL OPERATING EXPENSES		4.40 HR	\$197.91	\$80.63	\$25.90	\$5.87	\$92.46	\$430.06
NET OPERATING PROFIT							\$132.44	
INTEREST ON OPERATING CAPITAL		(\$51.46	@	5.50%)		\$2.83
INTEREST ON EQUIPMENT INVESTMENT								\$17.15
RETURN TO LAND AND RISK							\$112.46	

BUDGET SUMMARY			
GROSS RETURN		\$562.50	
VARIABLE OPERATING EXPENSES	\$229.68		
RETURN OVER VARIABLE EXPENSES		\$332.82	(GROSS MARGIN)
FIXED EXPENSES	\$92.46		
NET FARM INCOME		\$240.37	(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$80.63		
NET OPERATING PROFIT		\$159.74	(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$19.98		
RETURN TO LAND AND RISK		\$139.76	

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 Counties
 Projected 2015
 Planting dates: July 1 - July 31
 Harvesting dates: August 10 - September 30

ITEM	PRICE	YIELD							TOTAL
GROSS RETURNS									
SORGHUM HAY	\$210.00	2.00 TONS (STACKED)							\$420.00
GRAZING	\$5.00	1.00 ACRE							\$5.00
TOTAL									\$425.00

PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS				FIXED COST	TOTAL
SEED	\$1.31	35 LBS	\$45.85					\$45.85
WIRE	\$0.36	17 LBS	\$6.09					\$6.09
CANAL WATER		24 AC. IN.	\$28.00					\$28.00
SUBTOTAL			\$79.94					\$79.94

PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
DISC	96 HP	0.17 HR		\$1.28	\$2.59	\$0.63	\$6.88	\$11.38
DRILL	50 HP	0.25 HR		\$1.88	\$2.34	\$0.49	\$14.99	\$19.69
IRRIGATE (4X)		2.00 HR		\$15.00				\$15.00
SUBTOTAL		2.42 HR		\$18.15	\$4.93	\$1.12	\$21.87	\$46.07

HARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
SWATHER (2X)	14 FT.	0.32 HR		\$2.40	\$4.19	\$0.19	\$10.23	\$17.01
BALER, PTO (2X)	50 HP	0.42 HR		\$3.15	\$3.93	\$0.52	\$7.99	\$15.58
BALEWAGON			\$23.40					\$23.40
SUBTOTAL		0.74 HR		\$5.55	\$8.12	\$0.70	\$18.22	\$55.99

OVERHEAD EXPENSES	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
DOWNTIME	0.29 HR		\$2.18				\$2.18
EMPLOYEE BENEFITS			\$4.27				\$4.27
INSURANCE		\$0.47					\$0.47
LAND TAXES						\$2.59	\$2.59
SUPERVISION AND MANAGEMENT			\$32.33				\$32.33
OTHER EXPENSES		\$108.81					\$108.81
SUBTOTAL	0.29 HR	\$109.29	\$38.77			\$2.59	\$150.65

TOTAL OPERATING EXPENSES	3.45 HR	\$189.22	\$62.47	\$13.05	\$1.82	\$42.68	\$332.64
NET OPERATING PROFIT							\$92.36
INTEREST ON OPERATING CAPITAL	(\$42.21 @ 5.50%)						\$2.32
INTEREST ON EQUIPMENT INVESTMENT							\$17.15
RETURN TO LAND AND RISK							\$72.89

BUDGET SUMMARY		
GROSS RETURN		\$425.00
VARIABLE OPERATING EXPENSES	\$204.09	
RETURN OVER VARIABLE EXPENSES	\$220.91	(GROSS MARGIN)
FIXED EXPENSES	\$42.68	
NET FARM INCOME	\$178.23	(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$62.47	
NET OPERATING PROFIT	\$115.76	(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$19.47	
RETURN TO LAND AND RISK	\$96.29	

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 2015
 Planting dates: May 1 - June 15
 Harvesting dates: August 15 - September 30

ITEM	PRICE	YIELD	TOTAL
GROSS RETURNS			
CORN SILAGE	\$48.00	20.00 TONS (STANDING)	\$960.00
TOTAL			\$960.00

PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS	FIXED COST	TOTAL
SEED	\$3.26	30 000	\$97.88		\$97.88
ANHYDROUS AMMONIA (NH3)	\$0.33	125 LBS	\$40.63		\$40.63
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			\$207.59		\$207.59

PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
PLOW	96 HP	0.67 HR		\$5.03	\$10.20	\$3.42	\$24.93	\$43.57
DISC (2X)	96 HP	0.34 HR		\$2.55	\$5.18	\$1.27	\$13.76	\$22.75
LAND PLANE	96 HP	0.24 HR		\$1.80	\$3.65	\$0.25	\$21.54	\$27.24
LISTER/PLANTER	96 HP	0.26 HR		\$1.95	\$3.96	\$0.87	\$109.19	\$115.96
CULTIVATOR (2X)	50 HP	0.42 HR		\$3.15	\$3.93	\$1.23	\$26.88	\$35.19
IRRIGATE (8X)		4.00 HR		\$30.00				\$30.00
SUBTOTAL		5.93 HR		\$44.48	\$26.92	\$7.04	\$196.29	\$274.72

OVERHEAD EXPENSES

DOWNTIME		0.48 HR		\$3.62				\$3.62
EMPLOYEE BENEFITS				\$8.01				\$8.01
INSURANCE			\$0.89					\$0.89
LAND TAXES							\$5.18	\$5.18
SUPERVISION AND MANAGEMENT				\$72.17				\$72.17
OTHER EXPENSES			\$217.62					\$217.62
SUBTOTAL		0.48 HR	\$218.51	\$83.79			\$5.18	\$307.48

TOTAL OPERATING EXPENSES		6.41 HR	\$426.10	\$128.26	\$26.92	\$7.04	\$201.47	\$789.79
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NET OPERATING PROFIT								\$170.21
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INTEREST ON OPERATING CAPITAL	(\$112.28	@	5.50%)			\$6.18
INTEREST ON EQUIPMENT INVESTMENT								\$70.12

RETURN TO LAND AND RISK								\$93.91
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BUDGET SUMMARY

GROSS RETURN		\$960.00	
VARIABLE OPERATING EXPENSES	\$460.06		
RETURN OVER VARIABLE EXPENSES	\$499.94		(GROSS MARGIN)
FIXED EXPENSES	\$201.47		
NET FARM INCOME	\$298.47		(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$128.26		
NET OPERATING PROFIT	\$170.21		(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$76.30		
RETURN TO LAND AND RISK		\$93.91	

TABLE 10. Summary of per acre costs and returns for a 100 acre farm with above average average management,
Projected 2015

	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		\$245.00	\$225.00	\$210.00	\$48.00
GOVERNMENT PAYMENTS		\$0.00	\$0.00	\$0.00	\$0.00
SECOND INCOME		\$10.00	\$0.00	\$5.00	\$0.00
GROSS RETURN		\$1,235.00	\$562.50	\$425.00	\$960.00
CASH OPERATING EXPENSES					
SEED	\$120.00		\$51.20	\$45.85	\$97.88
FERTILIZER	\$51.75	\$36.00			\$40.63
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	\$18.18	\$16.24	\$25.90	\$13.05	\$26.92
FUEL-IRRIGATION					
REPAIRS	\$5.27	\$1.41	\$5.87	\$1.82	\$7.04
CUSTOM CHARGES	\$70.71	\$23.40			
LAND TAXES		\$5.18	\$2.59	\$2.59	\$5.18
OTHER EXPENSES	\$0.35	\$218.45	\$109.40	\$109.29	\$218.51
TOTAL CASH EXPENSES	\$266.26	\$365.78	\$232.27	\$206.68	\$465.24
RETURN OVER CASH EXPENSES	(\$266.26)	\$869.22	\$330.23	\$218.32	\$494.76
FIXED EXPENSES	\$59.22	\$109.32	\$89.87	\$40.09	\$196.29
TOTAL EXPENSES	\$325.48	\$475.09	\$322.13	\$246.77	\$661.53
NET FARM INCOME	(\$325.48)	\$759.91	\$240.37	\$178.23	\$298.47
LABOR AND MANAGEMENT COSTS	\$48.53	\$142.46	\$80.63	\$62.47	\$128.26
NET OPERATING PROFIT	(\$374.01)	\$617.44	\$159.74	\$115.76	\$170.21
CAPITAL COSTS					
INTEREST ON OPERATING CAPITAL		\$2.97	\$2.83	\$2.32	\$6.18
INTEREST ON EQUIPMENT INVESTMENT		\$18.10	\$17.15	\$17.15	\$70.12
TOTAL CAPITAL COSTS	\$0.00	\$21.07	\$19.98	\$19.47	\$76.30
RETURN TO LAND AND RISK	(\$374.01)	\$596.38	\$139.76	\$96.29	\$93.91

TABLE 11. Whole farm summary, Valencia and Southern Bernalillo Counties,
Projected 2015

GROSS RETURNS		
ALFALFA HAY CROP	71.00 ACRES	\$86,975
GRAZING		\$710
SMALL GRAIN HAY CROP	10.00 ACRES	\$5,625
SORGHUM HAY CROP	10.00 ACRES	\$4,200
GRAZING		\$50
CORN FOR SILAGE CROP	10.00 ACRES	\$9,600
GROSS RETURN		<u>\$107,160</u>
CASH OPERATING EXPENSES		
SEED		\$3,389
FERTILIZER		\$3,583
CHEMICALS		\$1,952
CROP INSURANCE		\$0
OTHER PURCHASED INPUTS		\$1,247
CANAL WATER		\$2,828
FUEL, OIL & LUBRICANTS-EQUIPMENT		\$2,030
FUEL-IRRIGATION		\$0
REPAIRS		\$310
CUSTOM CHARGES		\$2,510
LAND TAXES		\$471
OTHER EXPENSES		\$19,886
TOTAL CASH EXPENSES		<u>\$38,207</u>
RETURN OVER CASH EXPENSES		\$68,953
FIXED EXPENSES		\$7,309
TOTAL EXPENSES		\$45,516
NET FARM INCOME		\$61,644
LABOR AND MANAGEMENT COSTS		\$13,411
NET OPERATING PROFIT		\$48,233
CAPITAL COSTS		
INTEREST ON OPERATING CAPITAL		\$324
INTEREST ON EQUIPMENT INVESTMENT		\$2,329
TOTAL CAPITAL COSTS		<u>\$2,653</u>
RETURN TO LAND AND RISK		<u>\$45,580</u>

LAND VALUE	RETURN TO RISK*	RETURN ON INVESTMENT**
\$5,000 /ACRE	\$30,580	8.78%
\$6,500 /ACRE	\$26,080	6.90%
\$8,000 /ACRE	\$21,580	5.68%
\$9,500 /ACRE	\$17,080	4.83%
\$11,000 /ACRE	\$12,580	4.20%
\$12,500 /ACRE	\$8,080	3.71%

* 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)