

MICROCOMPUTER CROP COST AND RETURN GENERATOR

BUDGET AREA..... ESTANCIA BASIN, TORRANCE AND SANTA FE COUNTIES Projected 2010.
FARM SIZE..... 900.00 ACRES
IRRIGATION TYPE..... SPRINKLER and FLOOD
NUMBER OF CROPS..... 6

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TABLE 1. Acreage Summary, Torrance and Santa Fe Counties, Projected 2010.

BUDGET AREA.....	ESTANCIA BASIN, TORRANCE AND SANTA FE COUNTIES		
FARM SIZE.....	900 ACRES		
IRRIGATION TYPE.....	SPRINKLER and FLOOD		
NUMBER OF CROPS..	6		
ACREAGE SUMMARY:	WATER USE		
	LAND USE (ACRES)	AC.IN. PER AC.	TOTAL AC.IN.
ALFALFA ESTABLISHMENT	64.00 *	4	256
ALFALFA	320.00	44	14,080
WHEAT	68.00	15	1,020
ARP	0.00		
FLEX IN CORN FOR SILAGE	12.00	28	336
CORN FOR GRAIN	134.00	28	3,752
ARP	0.00		
FLEX IN CORN FOR SILAGE	24.00	28	672
CORN SILAGE	160.00	30	4,800
PINTO BE	80.00	12	960
IDLE, ROADS, HOMESTEAD	100.00		
TOTAL	898.00		25,876
ACRE FEET PER ACRE OF WATER RIGHTS			2.40

* DOUBLE-CROPPED

TABLE 2. Basic cost information for the Estancia Basin, Projected 2010.

Item			
Labor Wage Rate:			
Equipment operators	\$/hour		\$7.55
General & Irrigators	\$/hour		\$7.25
Purchased Inputs:			
Fertilizer:			
Anhydrous Ammonia (NH3)	\$/ton		\$525.00
Nitrogen (N)	\$/pound		\$0.58
Phosphate (P2O5)	\$/pound		\$0.51
Potash (K2O)	\$/pound		\$0.33
Seed:			
Alfalfa	\$/pound		\$3.75
Wheat	\$/pound		\$0.26
Corn	\$/bag		\$225.00
Pinto Beans	\$/pound		\$0.45
Baling Wire	\$/pound		\$0.61
Baling Twine	\$/pound		\$0.31
Natural gas (service charge)	\$/MCF		\$5.90
Diesel fuel	\$/month		\$10.00
Diesel fuel	\$/gallon		\$2.80
Gasoline	\$/gallon		\$2.50
Electricity	cents/KwHr		7.85
LP Gas	\$/gallon		\$2.40
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		7.50%
Land Interest Rate	percent		7.00%
Equipment Interest Rate	percent		7.50%
Real Interest Rate	percent		3.00%
Land Taxes	\$100.00 /acre (full value)		\$0.76
Personal Property Tax Rate	- NR	\$/ \$1,000 (Assessed Value)	\$22.81
	- R		\$23.26
Supervision Factors			
Field Crop-Irrigation	\$/labor hour		\$1.00
Field Crop-Equipment & General	\$/labor hour		\$0.50
Management Rate	percent		7.00%

TABLE 3. Overhead cost information for the Estancia Basin, Projected 2010.

Item			
Electricity (Domestic & Shop)		\$236.00 per month	\$2,832
Telephone		\$135.70 per month	\$1,628
Accounting & Legal			\$1,682
Misc. Supplies & Hand Tools			\$2,525
Pickup and Auto			
miles	30,385	@ \$0.415 per mile	\$12,610
Insurance			
- general liability (non-employee)			\$2,207
- fire/theft			\$1,859
Property Taxes			
- non-planted land			\$0
- other than land & machinery			\$6,010
Building repairs and maintenance			\$1,416
Dues, fees, publications			\$425
Farmstead Equipment			\$183
Total			\$33,376
Total Per Planted Acre			\$41.82

TABLE 1. Pumping Costs and Data by Region (Mk, \$/acre/Year)

Region	Water	Electricity	Other	Total
Region 1	0.15	0.10	0.05	0.30
Region 2	0.18	0.12	0.06	0.36
Region 3	0.20	0.14	0.07	0.41
Region 4	0.22	0.16	0.08	0.46
Region 5	0.25	0.18	0.09	0.52

TABLE 2. Equipment List for a 100-acre region for each average management scenario (Mk, \$/acre/Year)

Equipment	Quantity	Unit Cost	Total Cost
Tractor	10	\$10,000	\$100,000
Planter	5	\$8,000	\$40,000
Harrow	5	\$6,000	\$30,000
Combine	5	\$12,000	\$60,000
Storage Tank	1	\$20,000	\$20,000
Pump	1	\$5,000	\$5,000
Generator	1	\$3,000	\$3,000
Other	1	\$1,000	\$1,000
Total			\$269,000

Region	Water	Electricity	Other	Total
Region 1	0.15	0.10	0.05	0.30
Region 2	0.18	0.12	0.06	0.36
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Based on information from the U.S. Department of Agriculture, National Agricultural Statistics Service, 2002.

TABLE 6. Alfalfa establishment, sprinkler-irrigated, budgeted per acre costs and returns for a 900 acre farm above average management, Estancia Basin, Projected 2010.
Planting dates: August 1 - September 15

ITEM	PRICE	QUANTITY	PURCHASED INPUTS					TOTAL
PURCHASED INPUTS								
SEED	\$3.75	20 LBS	\$75.00					\$75.00
PUMP WATER*		4 AC. IN.						\$0.00
								\$0.00
SUBTOTAL			\$75.00					\$75.00
PREHARVEST OPERATIONS								
	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
DISC (2X)	185 HP	0.18 HR		\$1.36	\$5.22	\$2.38	\$3.96	\$12.92
CHISEL	185 HP	0.20 HR		\$1.51	\$5.80	\$1.45	\$3.50	\$12.27
DISC	185 HP	0.09 HR		\$0.68	\$2.61	\$1.19	\$1.98	\$6.46
FERT SPREADER	65 HP	0.05 HR		\$0.38	\$0.61	\$0.11	\$0.59	\$1.69
PLANE	185 HP	0.19 HR		\$1.43	\$5.51	\$1.12	\$3.75	\$11.81
DRILL	65 HP	0.21 HR		\$1.59	\$2.55	\$0.49	\$4.37	\$9.01
IRRIGATE (2X)		0.20 HR		\$1.45	\$14.35	\$0.00	\$1.18	\$16.98
SUBTOTAL		1.12 HR		\$8.40	\$36.65	\$6.75	\$19.34	\$71.14
OVERHEAD EXPENSES								
DOWNTIME		0.23 HR		\$1.74				\$1.74
EMPLOYEE BENEFITS				\$1.51				\$1.51
INSURANCE			\$0.17				\$0.17	
SUPERVISION AND MANAGEMENT				\$10.89				\$10.89
SUBTOTAL		0.23 HR	\$0.17	\$14.14				\$14.31
TOTAL OPERATING EXPENSES		1.35 HR	\$75.17	\$22.53	\$36.65	\$6.75	\$19.34	\$160.45

TABLE 7. Alfalfa hay, sprinkler-irrigated, budgeted per acre costs and returns for a 900 acre farm with above average management, Estancia Basin, Projected 2010.
Harvesting dates: June 15 - October 15

ITEM	PRICE	YIELD							TOTAL
GROSS RETURNS									
ALFALFA HAY	\$140.00	5.00 TONS (STACKED)							\$700.00
GRAZING	\$10.00	1.00 ACRE							\$10.00
TOTAL								\$710.00	
PURCHASED INPUTS									
	PRICE	QUANTITY	PURCHASED INPUTS				FIXED COST	TOTAL	
PHOSPHATE (P205)	\$0.51	92.00 LBS	\$46.92					\$46.92	
INSECTICIDE (CUSTOM)	\$23.14	1.00 ACRE	\$23.14					\$23.14	
LIVESTOCK FAC & EQUIP							\$5.00	\$5.00	
PLASTIC TWINE	\$0.31	850.00 FT	\$0.07					\$0.07	
ESTABLISHMENT: Principal		5.00 YEARS					\$32.09	\$32.09	
: Interest							\$6.66	\$6.66	
PUMP WATER*		44.00 AC. IN.							
SUBTOTAL			\$70.13				\$43.74	\$113.87	
PREHARVEST OPERATIONS									
	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL	
FERT SPREADER	185 HP	0.05 HR		\$0.38	\$1.45	\$0.34	\$1.14	\$3.31	
IRRIGATE (10X)		1.00 HR		\$7.25	\$157.87	\$0.00	\$13.01	\$178.13	
SUBTOTAL		1.05 HR		\$7.63	\$159.32	\$0.34	\$14.15	\$181.43	
HARVEST OPERATIONS									
SWATHER (3X)	16 FT SP	0.33 HR		\$2.49	\$3.46	\$0.48	\$12.17	\$18.60	
RAKE (3X)	65 HP	0.15 HR		\$1.13	\$1.82	\$0.34	\$1.80	\$5.09	
BALER (3X)	155 HP	0.21 HR		\$1.59	\$6.09	\$1.58	\$22.42	\$31.68	
LOAD & HAUL (3X)	2 TON	1.50 HR		\$11.33	\$58.47	\$19.94	\$18.96	\$108.69	
SUBTOTAL		2.19 HR		\$16.53	\$69.84	\$22.34	\$55.35	\$164.06	
OVERHEAD EXPENSES									
DOWNTIME		0.52 HR		\$3.94				\$3.94	
EMPLOYEE BENEFITS				\$4.35				\$4.35	
INSURANCE			\$0.48					\$0.48	
LAND TAXES							\$0.76	\$0.76	
SUPERVISION AND MANAGEMENT				\$51.75				\$51.75	
OTHER EXPENSES			\$41.82					\$41.82	
SUBTOTAL		0.52 HR	\$42.31	\$60.04			\$0.76	\$103.11	
TOTAL OPERATING EXPENSES		3.76 HR	\$112.44	\$84.20	\$229.16	\$22.67	\$114.01	\$562.47	
NET OPERATING PROFIT								\$147.53	
INTEREST ON OPERATING CAPITAL		(\$82.66 @	7.50%)				\$6.20	
INTEREST ON EQUIPMENT INVESTMENT								\$10.30	
RETURN TO LAND AND RISK								\$131.03	

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

BUDGET SUMMARY

GROSS RETURN		\$710.00	
VARIABLE OPERATING EXPENSES	\$364.27		
RETURN OVER VARIABLE EXPENSES		\$345.73	(GROSS MARGIN)
FIXED EXPENSES	\$114.01		
NET FARM INCOME		\$231.73	(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$84.20		
NET OPERATING PROFIT		\$147.53	(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$16.50		
RETURN TO LAND AND RISK		\$131.03	

TABLE 8. Wheat, sprinkler-irrigated, budgeted per acre costs and returns for a 900 acre farm with above average management, Estancia Basin, Projected 2010.
 Planting dates: September 15 - October 31
 Harvesting dates: July 15 - August 5

ITEM	PRICE	YIELD	BASE	TOTAL
GROSS RETURNS				
WHEAT	\$6.00	55.00 BUSHELS		\$330.00
DIRECT PAYMENT	\$0.00	55.00 BUSHELS	0.85	\$0.00
COUNTER CYCLICAL PAYMENT	\$0.00			\$0.00
GRAZING	\$40.00	1.00 ACRE		\$40.00
TOTAL				\$370.00

PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS	FIXED COST	TOTAL
SEED	\$0.26	100 LBS	\$26.00		\$26.00
ANHYDROUS AMMONIA (NH3)	\$0.26	100 LBS	\$26.25		\$26.25
NITROGEN (N)	\$0.58	22 LBS	\$12.76		\$12.76
PHOSPHATE (P205)	\$0.51	44 LBS	\$22.44		\$22.44
POTASH (K2O)	\$0.33	22 LBS	\$7.26		\$7.26
LIVESTOCK FAC & EQUIP PUMP WATER*				\$5.00	\$5.00
CROP INSURANCE	\$0.74	15 ACRE IN.			\$0.74
SUBTOTAL			\$94.71	\$5.00	\$100.45

PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
DISC (2X)	185 HP	0.18 HR		\$1.36	\$5.22	\$2.38	\$3.96	\$12.92
FERT SPREADER	185 HP	0.05 HR		\$0.38	\$1.45	\$0.34	\$1.14	\$3.31
ANHYDROUS APPL.	185 HP	0.17 HR		\$1.28	\$4.93	\$0.98	\$2.61	\$9.81
LISTER 6-ROW	126 HP	0.12 HR		\$0.91	\$2.77	\$0.80	\$1.32	\$5.80
DRILL	65 HP	0.21 HR		\$1.59	\$2.55	\$0.49	\$4.37	\$9.01
IRRIGATE (4X)		2.00 HR		\$14.50	\$53.82	\$0.00	\$4.43	\$72.75
SUBTOTAL		2.73 HR		\$20.01	\$70.74	\$4.99	\$17.85	\$113.59

HARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
COMBINE	126 HP	0.30 HR		\$2.27	\$8.87	\$0.55	\$12.14	\$23.83
HAUL	2 TON	0.50 HR		\$3.78	\$7.94	\$3.08	\$3.81	\$18.61
SUBTOTAL		0.80 HR	\$0.00	\$6.04	\$16.81	\$3.63	\$15.95	\$42.44

OVERHEAD EXPENSES	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
DOWNTIME	0.18 HR		\$1.38				\$1.38
EMPLOYEE BENEFITS			\$4.69				\$4.69
INSURANCE		\$0.40					\$0.40
LAND TAXES						\$0.76	\$0.76
SUPERVISION AND MANAGEMENT			\$28.27				\$28.27
OTHER EXPENSES		\$41.82					\$41.82
SUBTOTAL	0.18 HR	\$42.22	\$34.33			\$0.76	\$77.32

TOTAL OPERATING EXPENSES 3.71 HR \$136.93 \$60.38 \$87.56 \$8.62 \$39.55 \$333.79

NET OPERATING PROFIT \$36.21

INTEREST ON OPERATING CAPITAL (\$68.36 @ 7.50%) \$5.13
 INTEREST ON EQUIPMENT INVESTMENT \$21.18

RETURN TO LAND AND RISK \$9.90

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

BUDGET SUMMARY

GROSS RETURN		\$370.00	
VARIABLE OPERATING EXPENSES	\$233.12		
RETURN OVER VARIABLE EXPENSES		\$136.88	(GROSS MARGIN)
FIXED EXPENSES	\$39.55		
NET FARM INCOME		\$97.33	(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$60.38		
NET OPERATING PROFIT		\$36.95	(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$26.31		
RETURN TO LAND AND RISK		\$10.64	

TABLE 9. Corn for grain, sprinkler-irrigated, budgeted per acre costs and returns for a 900 acre farm with above average management, Estancia Basin, Projected 2010.
 Planting dates: April 20 - May 5
 Harvesting dates: October 15 - November 15

ITEM	PRICE	YIELD	BASE	TOTAL
GROSS RETURNS				
CORN	\$4.10	150.00 BUSHELS		\$615.00
DIRECT PAYMENT	\$0.00	150.00 BUSHELS	0.85	\$0.00
COUNTER CYCLICAL PAYMENT	\$0.00	0.00 BUSHELS		\$0.00
GRAZING	\$12.00	1.00 ACRE		\$12.00
TOTAL				\$627.00

PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS	FIXED COST	TOTAL
SEED	\$2.81	25 000	\$70.31		\$70.31
ANHYDROUS AMMONIA (NH3)	\$0.26	250 LBS	\$65.63		\$65.63
NITROGEN (N)	\$0.58	22 LBS	\$12.76		\$12.76
PHOSPHATE (P205)	\$0.51	44 LBS	\$22.44		\$22.44
INSECTICIDE (FLY-ON)	\$11.37	1 ACRE	\$11.37		\$11.37
INSECTICIDE	\$16.99	1 ACRE	\$16.99		\$16.99
HERBICIDE	\$16.99	1 ACRE	\$16.99		\$16.99
LIVESTOCK FAC & EQUIP				\$5.00	\$5.00
PUMP WATER*		28 AC. IN.			
CROP INSURANCE	\$0.29				\$0.29
SUBTOTAL			\$216.48	\$5.00	\$221.77

PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
DISC (2X)	185 HP	0.18 HR		\$1.36	\$5.22	\$2.38	\$3.96	\$12.92
CHISEL	185 HP	0.20 HR		\$1.51	\$5.80	\$1.45	\$3.50	\$12.27
FERT SPREADER	185 HP	0.05 HR		\$0.38	\$1.45	\$0.34	\$1.14	\$3.31
DISC & SPRAY	185 HP	0.14 HR		\$1.06	\$4.06	\$1.95	\$3.29	\$10.36
ANHYDROUS APPL.	185 HP	0.17 HR		\$1.28	\$4.93	\$0.98	\$2.61	\$9.81
LISTER	126 HP	0.12 HR		\$0.91	\$2.77	\$0.80	\$0.99	\$5.46
PLANTER & SPRAY	126 HP	0.20 HR		\$1.51	\$4.62	\$1.34	\$3.29	\$10.76
CULTIVATOR (1X)	65 HP	0.13 HR		\$0.98	\$1.58	\$0.57	\$1.29	\$4.42
IRRIGATE (13X)		1.30 HR		\$9.43	\$100.46	\$0.00	\$8.28	\$118.16
SUBTOTAL		2.49 HR		\$18.41	\$130.90	\$9.80	\$28.35	\$187.46

HARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
COMBINE	126 HP	0.35 HR		\$2.64	\$10.35	\$1.40	\$19.08	\$33.48
HAUL	2-TON	0.50 HR		\$3.78	\$7.94	\$3.08	\$3.81	\$18.61
SUBTOTAL		0.85 HR		\$6.42	\$18.29	\$4.48	\$22.89	\$52.09

OVERHEAD EXPENSES	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
DOWNTIME	0.47 HR		\$3.53				\$3.53
EMPLOYEE BENEFITS			\$4.47				\$4.47
INSURANCE		\$0.50					\$0.50
LAND TAXES						\$0.76	\$0.76
SUPERVISION AND MANAGEMENT			\$47.83				\$47.83
OTHER EXPENSES		\$41.82					\$41.82
SUBTOTAL	0.47 HR	\$42.32	\$55.82			\$0.76	\$98.90

TOTAL OPERATING EXPENSES 3.81 HR \$258.80 \$80.65 \$149.19 \$14.29 \$57.01 \$560.22

NET OPERATING PROFIT \$66.78

INTEREST ON OPERATING CAPITAL (\$145.46 @ 7.50%) \$10.91
 INTEREST ON EQUIPMENT INVESTMENT \$30.75

RETURN TO LAND AND RISK \$25.12

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

GROSS RETURN		\$627.00	
VARIABLE OPERATING EXPENSES	\$422.27		
RETURN OVER VARIABLE EXPENSES		\$204.73	(GROSS MARGIN)
FIXED EXPENSES	\$57.01		
NET FARM INCOME		\$147.72	(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$80.65		
NET OPERATING PROFIT		\$67.07	(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$41.66		
RETURN TO LAND AND RISK		\$25.41	

TABLE 10. Corn silage, flood-irrigated, budgeted per acre costs and returns for a 900 acre farm with above average management, Estancia Basin, Projected 2010.
 Planting dates: April 20 - May 5
 Harvesting dates: September 15 - October 15

ITEM	PRICE	YIELD	TOTAL
GROSS RETURNS			
CORN SILAGE	\$34.00	25.00 TONS (CUT)	\$850.00
TOTAL			\$850.00

PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS	FIXED COST	TOTAL
SEED	\$2.81	25 000	\$70.31		\$70.31
ANHYDROUS AMMONIA (NH3)	\$0.26	250 LBS	\$65.63		\$65.63
NITROGEN (N)	\$0.58	22 LBS	\$12.76		\$12.76
PHOSPHATE (P205)	\$0.51	44 LBS	\$22.44		\$22.44
HERBICIDE	\$15.41	1 ACRE	\$15.41		\$15.41
INSECTICIDE (FLY-ON)	\$11.37	1 ACRE	\$11.37		\$11.37
INSECTICIDE	\$15.44	1 ACRE	\$15.44		\$15.44
IRRIGATION WATER		30 AC. IN.			
SUBTOTAL			\$213.35		\$213.35

PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
DISC (2X)	185 HP	0.18 HR		\$1.36	\$5.22	\$2.38	\$3.96	\$12.92
CHISEL	185 HP	0.20 HR		\$1.51	\$5.80	\$1.45	\$3.50	\$12.27
LAND PLANE	185 HP	0.24 HR		\$1.81	\$6.96	\$1.41	\$4.73	\$14.92
FERT SPREADER	185 HP	0.05 HR		\$0.38	\$1.45	\$0.34	\$1.14	\$3.31
LISTER & SPRAY	126 HP	0.17 HR		\$1.28	\$3.93	\$1.24	\$1.66	\$8.11
PRE-IRRIGATE		0.75 HR		\$5.44	\$21.53	\$0.00	\$0.51	\$27.48
PLANTER & SPRAY	126 HP	0.20 HR		\$1.51	\$4.62	\$1.34	\$3.29	\$10.76
CULTIVATOR	65 HP	0.13 HR		\$0.98	\$1.58	\$0.57	\$1.29	\$4.42
IRRIGATE (4X)		2.00 HR		\$14.50	\$86.11	\$0.00	\$2.05	\$102.66
SUBTOTAL		3.92 HR		\$28.77	\$137.20	\$8.74	\$22.14	\$196.84

HARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
ENSILAGE CHOPPER	126 HP	0.71 HR		\$5.36	\$16.40	\$3.08	\$8.94	\$33.78
SUBTOTAL		0.71 HR		\$5.36	\$16.40	\$3.08	\$8.94	\$33.78

OVERHEAD EXPENSES	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
DOWNTIME		0.47 HR		\$3.55				\$3.55
EMPLOYEE BENEFITS				\$6.14				\$6.14
INSURANCE			\$0.68					\$0.68
LAND TAXES						\$0.76		\$0.76
SUPERVISION AND MANAGEMENT				\$63.17				\$63.17
OTHER EXPENSES			\$41.82					\$41.82
SUBTOTAL		0.47 HR	\$42.51	\$72.86		\$0.76		\$116.13

TOTAL OPERATING EXPENSES		5.10 HR	\$255.86	\$106.99	\$153.60	\$11.82	\$31.83	\$560.10
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NET OPERATING PROFIT								\$289.90
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INTEREST ON OPERATING CAPITAL	(\$144.78	@	7.50%)			\$10.86
INTEREST ON EQUIPMENT INVESTMENT								\$20.26

RETURN TO LAND AND RISK								\$258.79
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* Pump water costs are shown under irrigation in the preharvest operations section.

BUDGET SUMMARY

GROSS RETURN		\$850.00	
VARIABLE OPERATING EXPENSES	\$421.27		
RETURN OVER VARIABLE EXPENSES	\$428.73	(GROSS MARGIN)	
FIXED EXPENSES	\$31.83		
NET FARM INCOME	\$396.90	(RETURN TO CAPITAL, LABOR, LAND & RISK)	
LABOR AND MANAGEMENT COST	\$106.99		
NET OPERATING PROFIT	\$289.90	(RETURN TO CAPITAL, LAND & RISK)	
CAPITAL COSTS	\$31.12		
RETURN TO LAND AND RISK		\$258.79	

TABLE 11. Pinto beans, flood-irrigated, budgeted per acre costs and returns for a 900 acre farm with above average management, Estancia Basin, Projected 2010.
 Planting dates: May 15 - June 10
 Harvesting dates: September 1 - October 31

ITEM	PRICE	YIELD						TOTAL
GROSS RETURNS								
PINTO BEANS	\$20.00	20.00 CWT (THRESHER RUN)						\$400.00
TOTAL								\$400.00
PURCHASED INPUTS								
	PRICE	QUANTITY	PURCHASED INPUTS				FIXED COST	TOTAL
SEED	\$0.45	60 LBS	\$27.00					\$27.00
NITROGEN (N)	\$0.58	18 LBS	\$10.44					\$10.44
PHOSPHATE (P205)	\$0.51	46 LBS	\$23.46					\$23.46
INSECTICIDE (CUSTOM)	\$15.62	1 ACRE	\$15.62					\$15.62
HERBICIDE	\$16.99	1 ACRE	\$16.99					\$16.99
PUMP WATER*		12 AC. IN.						
SUBTOTAL			\$93.50					\$93.50
PREHARVEST OPERATIONS								
	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
DISC (2X)	185 HP	0.18 HR		\$1.36	\$5.22	\$2.38	\$3.96	\$12.92
LAND PLANE (2X)	185 HP	0.48 HR		\$3.62	\$13.92	\$2.83	\$9.46	\$29.84
FERT SPREADER	185 HP	0.05 HR		\$0.38	\$1.45	\$0.34	\$1.14	\$3.31
LISTER & SPRAY	126 HP	0.17 HR		\$1.28	\$3.93	\$1.24	\$1.66	\$8.11
PLANTER	126 HP	0.17 HR		\$1.28	\$3.93	\$1.02	\$2.54	\$8.77
CULTIVATOR (2X)	65 HP	0.26 HR		\$1.96	\$3.16	\$1.14	\$2.57	\$8.84
IRRIGATE (3X)		1.50 HR		\$10.88	\$43.05	\$0.00	\$1.03	\$54.96
SUBTOTAL		2.81 HR		\$20.77	\$74.66	\$8.95	\$22.36	\$126.74
HARVEST OPERATIONS								
ROD WEED	126 HP	0.08 HR		\$0.60	\$1.85	\$0.38	\$1.41	\$4.24
COMBINE	126 HP	0.50 HR		\$3.78	\$14.79	\$1.02	\$13.90	\$33.49
SUBTOTAL		0.58 HR		\$4.38	\$16.64	\$1.40	\$15.32	\$37.74
OVERHEAD EXPENSES								
DOWNTIME		0.91 HR		\$6.85				\$6.85
EMPLOYEE BENEFITS				\$4.53				\$4.53
INSURANCE			\$0.50					\$0.50
LAND TAXES						\$0.76		\$0.76
SUPERVISION AND MANAGEMENT				\$30.18				\$30.18
OTHER EXPENSES			\$41.82					\$41.82
SUBTOTAL		0.91 HR	\$42.33	\$41.56			\$0.76	\$84.65
TOTAL OPERATING EXPENSES		4.30 HR	\$135.83	\$66.70	\$91.30	\$10.36	\$38.44	\$342.63
NET OPERATING PROFIT								\$57.37
INTEREST ON OPERATING CAPITAL		(\$69.16	@	7.50%)		\$5.19
INTEREST ON EQUIPMENT INVESTMENT								\$29.64
RETURN TO LAND AND RISK								\$22.55

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

BUDGET SUMMARY

GROSS RETURN		\$400.00	
VARIABLE OPERATING EXPENSES	\$237.48		
RETURN OVER VARIABLE EXPENSES	\$162.52		(GROSS MARGIN)
FIXED EXPENSES	\$38.44		
NET FARM INCOME	\$124.08		(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$66.70		
NET OPERATING PROFIT	\$57.37		(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$34.82		
RETURN TO LAND AND RISK		\$22.55	

TABLE 12. Summary of per acre costs and returns for a 900 acre farm with above average management, Estancia Basin, New Mexico, Projected 2010.

	ALFALFA ESTABLISHMENT	ALFALFA HAY	WHEAT	CORN FOR GRAIN	CORN FOR SILAGE	PINTO BEANS
		TONS	BU	BU	TONS	CWT
PRIMARY YIELD		5.00	55.00	150.00	25.00	20.00
PRIMARY PRICE		\$140.00	\$6.00	\$4.10	\$34.00	\$20.00
GOVERNMENT PAYMENTS		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
SECOND INCOME		\$10.00	\$40.00	\$12.00	\$0.00	\$0.00
GROSS RETURN		\$710.00	\$370.00	\$627.00	\$850.00	\$400.00
CASH OPERATING EXPENSES						
SEED	\$75.00		\$26.00	\$70.31	\$70.31	\$27.00
FERTILIZER		\$46.92	\$68.71	\$100.83	\$100.83	\$33.90
CHEMICALS		\$23.14		\$45.34	\$42.21	\$32.60
CROP INSURANCE			\$0.74	\$0.29		
OTHER PURCHASED INPUTS		\$0.07				
CANAL WATER						
FUEL, OIL & LUBRICANTS-EQUIPMENT	\$22.30	\$71.29	\$33.74	\$48.73	\$45.96	\$48.24
FUEL-IRRIGATION	\$14.35	\$157.87	\$53.82	\$100.46	\$107.64	\$43.05
REPAIRS	\$6.75	\$22.67	\$8.62	\$14.29	\$11.82	\$10.36
CUSTOM CHARGES			\$0.00	\$0.00	\$0.00	
LAND TAXES		\$0.76	\$0.76	\$0.76	\$0.76	\$0.76
OTHER EXPENSES	\$0.17	\$42.31	\$42.22	\$42.32	\$42.51	\$42.33
TOTAL CASH EXPENSES	\$118.57	\$365.03	\$234.61	\$423.33	\$422.03	\$238.24
RETURN OVER CASH EXPENSES	(\$118.57)	\$344.97	\$135.39	\$203.67	\$427.97	\$161.76
FIXED EXPENSES	\$19.34	\$113.25	\$38.79	\$56.25	\$31.07	\$37.68
TOTAL EXPENSES	\$137.91	\$478.27	\$273.41	\$479.57	\$453.10	\$275.92
NET FARM INCOME	(\$137.91)	\$231.73	\$96.59	\$147.43	\$396.90	\$124.08
LABOR AND MANAGEMENT COSTS	\$22.53	\$84.20	\$60.38	\$80.65	\$106.99	\$66.70
NET OPERATING PROFIT	(\$160.45)	\$147.53	\$36.21	\$66.78	\$289.90	\$57.37
CAPITAL COSTS						
INTEREST ON OPERATING CAPITAL		\$6.20	\$5.13	\$10.91	\$10.86	\$5.19
INTEREST ON EQUIPMENT INVESTMENT		\$10.30	\$21.18	\$30.75	\$20.26	\$29.64
TOTAL CAPITAL COSTS	\$0.00	\$16.50	\$26.31	\$41.66	\$31.12	\$34.82
RETURN TO LAND AND RISK	(\$160.45)	\$131.03	\$9.90	\$25.12	\$258.79	\$22.55

TABLE 13. Whole farm summary, Estancia Basin,
Projected 2010.

GROSS RETURNS		
ALFALFA HAY	320.00 ACRES	
CROP		\$224,000
GRAZING		\$3,200
WHEAT	68.00 ACRES	
CROP		\$22,440
GRAZING		\$2,720
DIRECT PAYMENT		\$0
COUNTER CYCLICAL PAYMENT		\$0
CORN FOR GRAIN	170.00 ACRES	
CROP		\$104,550
GRAZING		\$2,040
DIRECT PAYMENT		\$0
CORN FOR SILAGE	160.00 ACRES	
CROP		\$136,000
PINTO BEANS	80.00 ACRES	
CROP		\$32,000
GROSS RETURN		<u>\$526,950</u>
CASH OPERATING EXPENSES		
SEED		\$31,931
FERTILIZER		\$55,671
CHEMICALS		\$24,475
CROP INSURANCE		\$100
OTHER PURCHASED INPUTS		\$21
CANAL WATER		\$0
FUEL, OIL & LUBRICANTS-EQUIPMENT		\$46,032
FUEL-IRRIGATION		\$92,840
REPAIRS		\$13,421
CUSTOM CHARGES		\$0
LAND TAXES		\$607
OTHER EXPENSES		\$33,802
TOTAL CASH EXPENSES		<u>\$298,900</u>
RETURN OVER CASH EXPENSES		\$228,050
FIXED EXPENSES		\$47,394
TOTAL EXPENSES		\$346,295
NET FARM INCOME		\$180,655
LABOR AND MANAGEMENT COSTS		\$68,658
NET OPERATING PROFIT		\$111,997
CAPITAL COSTS		
INTEREST ON OPERATING CAPITAL		\$6,339
INTEREST ON EQUIPMENT INVESTMENT		\$15,575
TOTAL CAPITAL COSTS		<u>\$21,914</u>
RETURN TO LAND AND RISK		<u>\$90,083</u>

LAND VALUE	RETURN TO RISK*	RETURN ON INVESTMENT**
\$750 /ACRE	\$69,833	11.54%
\$1,000 /ACRE	\$63,083	9.37%
\$1,250 /ACRE	\$56,333	7.89%
\$1,500 /ACRE	\$49,583	6.81%

* 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)