

TABLE 1. Acreage Summary, Lincoln County,
Projected 2012.

BUDGET AREA.....	HONDO VALLEY, LINCOLN COUNTY		
FARM SIZE.....	35 ACRES		
IRRIGATION TYPE.....	FLOOD		
NUMBER OF CROPS....	4		
	WATER USE		
ACREAGE SUMMARY:	LAND USE (ACRES)	AC.IN. PER AC.	TOTAL AC.IN.
ALFALFA ESTABLISHMENT	2.00 *	12	24
ALFALFA HAY	10.00	36	360
PASTURE ESTABLISHMENT	2.00 *	12	24
PERMANENT PASTURE	20.00	30	600
ROADS, DITCHES, HOMESTEAD	5.00		
	TO 35.00		1,008
	ACRE FEET PER ACRE OF WATER RIGI		2.40

*DOUBLE-CROPPED

TABLE 2. Basic cost information for Lincoln County,
Projected 2012.

Item			
Labor Wage Rate:			
Equipment operators		\$/hour	\$7.20
General & Irrigators		\$/hour	\$7.50
Purchased Inputs:			
Fertilizer:			
Nitrogen (N)		\$/pound	\$0.89
Phosphorus (P205)		\$/pound	\$0.75
Seed:			
Alfalfa		\$/pound	\$6.50
Pasture		\$/pound	\$2.98
Natural Gas		\$/MCF	\$4.00
Diesel fuel		\$/gallon	\$3.00
Gasoline		\$/gallon	\$3.80
Electricity		cents/kwhr	11.21
Employee Liability Insurance		\$/ \$1,000 wages	\$12.00
Employee Benefits		percent/wages	12.00%
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%
Expected Inflation Rate		percent	3.00%
Land Taxes		\$175.00 /acre (full value)	\$1.27
Personal Property Tax Rate	- NR	\$/ \$1,000 (Assessed Value)	\$21.72
	- R		\$20.61
Supervision Factors			
Field Crop-Irrigation		\$/acre	\$1.00
Field Crop-Equipment & General		\$/acre	\$0.50
Management Rate		percent	4.00%

TABLE 3. Overhead cost information for Lincoln County,
Projected 2012.

Item			
Electricity (Domestic & Shop)		\$54.45 per month	\$653
Telephone		\$42.35 per month	\$508
Accounting & Legal			\$133
Misc. Supplies & Hand Tools			\$254
Pickup and Auto			
miles	4,985	@ \$0.500 per mile	\$2,493
Insurance			
- general liability (non-employee)			\$175
- fire/theft			\$145
Property Taxes			
- non-planted land			\$0
- other than land & machinery			\$6,010
Building repairs and maintenance			\$212
Dues, fees, publications			\$109
Farmstead Equipment			\$175
		Total	\$10,868
		Total per planted acre	\$362.27

TABLE 4. Pumping costs and data for irrigation wells, Lincoln County, Proposed 2012

WELL DATA		DEPTH CHARACTERISTICS	
DEMAND PER SPRINKLER	0	STATIC	80
		DYNAMIC	26
		TOTAL HEAD	75
		CAPAC.	100
GALLONS PER MINUTE (GPM)	400		
WORK HORSE POWER	8		
EFFICIENCY FACTOR			
ELECTRICITY	0.447		
NATURAL GAS	0.122		
LPG GAS	0.186		
DIESEL	0.198		
FUEL COST PER HOUR			
ELECTRICITY	11.21	CENTSAHRS	
NATURAL GAS	\$4.02	EMCF	
LPG GAS	\$6.97	SGAL	
DIESEL	\$3.00	SGAL	
PUMPING COSTS			
ELECTRICAL WELL			
COST PER HOUR	\$1.45		
COST PER ACRE INCH	\$1.44		
NATURAL GAS WELL			
COST PER HOUR	\$0.71		
COST PER ACRE INCH	\$0.80		
BUTANE WELL			
COST PER HOUR	\$0.78		
COST PER ACRE INCH	\$0.89		
DIESEL WELL			
COST PER HOUR	\$2.07		
COST PER ACRE INCH	\$2.34		

TABLE 5. Equipment inventory for a 37-acre out-lease farm, Nevada Valley, Lincoln County, Proposed 2012

EQUIPMENT	ITEM #	SIZE	ANNUAL HOURS OF USE	NUMBER	VARIABLE COSTS				FIXED COSTS			
					TOTAL VALUE	FUEL OIL LUBRICANT	REPAIR	FUEL OIL PER HR	REPAIR PER HR	DEPRECIATION	TAXES	TOTAL PER HR
TRACTOR	29	HP	100	1	\$6,911	\$1416	\$107	\$14.21	\$1.08	\$300	\$65	\$4.20
BALE PTO (3)	2	WIRE	15	1	\$1,000	\$2	\$2	\$0.15	\$3.00	\$21	\$27	\$2
FRONTEND	8	FT	1	1	\$200	\$5	\$0.01	\$25.14	\$27	\$1	\$25.14	
FLOAT	8	FT	1	1	\$400	\$5	\$0.01	\$40	\$2	\$17.57		
DISC	8	FT	1	1	\$600	\$7	\$0.01	\$60	\$4	\$6.70		
FERT. SPREADER	8	FT	10	1	\$2,300	\$9	\$0.02	\$307	\$17	\$51.70		
RAGE	8	FT	15	1	\$1,500	\$7	\$0.01	\$150	\$11	\$11.00		
DRILL	8	FT	1	1	\$1,000	\$1	\$0.01	\$0.48	\$0	\$7	\$7.70	
MOWER	7	FT	30	1	\$1,300	\$20	\$1.45	\$0.20	\$700	\$9	\$4.65	
WELL ELECTRIC			204	1	\$8,000	\$295	\$0	\$1.45	\$0.00	\$940	\$56	\$3.43
					\$23,981	\$1,771	\$164			\$2,203	\$200	

USAGE LIST

ITEM	NEW VALUE	USED VALUE	YEARS	EQUIP CODE	MAX HOURS	FUEL UNIT/HR	LUBE COEF	ACCLM HOURS	INTEREST ACYR	ANNUAL PER ACRE					
										DISC	DISC	DISC	TOTAL		
TRACTOR 29 HP	17,975	6,911	30	1	800	3.40	0.10	1444.00	15	829.13	3.90	7.80	3.90	0.00	15.80
BALE PTO (3) WIRE	7,700	1,000	25	2	800			270.00	16	268.00	0.00	1.00	0.00	0.00	1.00
FRONTEND 8 FT	400	200	15	4	300			18.20	16	14.00	0.30	0.00	0.30	0.00	0.60
FLOAT 8 FT	400	400	15	4	300			18.20	16	14.00	0.30	0.00	0.30	0.00	0.60
DISC 8 FT	1,200	600	15	3	300			18.80	16	42.00	2.40	1.00	2.40	0.00	4.80
FERT. SPREADER	4,600	2,300	15	9	150			153.00	15	161.00	0.30	0.30	0.30	0.30	1.20
RAGE 8 FT	3,100	1,500	25	6	300			230.00	15	108.00	0.00	1.00	0.00	0.00	1.00
DRILL 8 FT	2,000	1,000	25	8	100			15.00	13	70.00	0.30	0.00	0.30	0.00	0.60
MOWER 7 FT	2,600	1,300	25	6	300			400.00	15	91.00	0.00	3.00	0.00	0.00	3.00
WELL ELECTRIC	16,000	8,000	25	0	8,742			3055.00	15	580.00	0.00	6.79	0.00	6.79	13.58

INTEREST PRODUCTION

ALPHA	ANNUAL	DISC	PASTURE
48.27	1.80		
0.00	0.00		
0.00	0.00		
0.00	0.00		
0.00	0.00		
4.74	4.74		
0.00	0.00		
0.00	0.00		
9.16	9.16		
18.67	18.67		
119.57	25.30		

ALPHA BEST ALLOCATION

MACHINE	POWER UNIT	TIMES OVER	ACCOMPLISHMENT		
			RATE	TOTAL	CUSTOM
DISC (20)	30 HP	2.00	1.00	2.40	
HARROW	30 HP	1.00	0.30	0.30	
FLOAT	30 HP	1	0.60	0.60	
FERT. SPREADER	30 HP	1	0.30	0.30	
DRILL	30 HP	1.00	0.30	0.30	
BRIGATE (20)		2	1.50	3.00	

ALPHA PASTURE

MACHINE	POWER UNIT	TIMES OVER	ACCOMPLISHMENT		
			RATE	TOTAL	CUSTOM
FERT. SPREADER	30 HP	1	0.30	0.30	
DISC (MANTENANCE)		1	1.25	1.25	
BRIGATE (20)		6	1.13	6.79	
MOWER (20)	30 HP	3	1.00	3.00	
RAGE (20)	30 HP	3	0.90	2.70	
BALE PTO (3)	30 HP	3	0.50	1.50	
HARROW (20)	30 HP	3	0.60	1.80	

PERMANENT PASTURE EST.

MACHINE	POWER UNIT	TIMES OVER	ACCOMPLISHMENT		
			RATE	TOTAL	CUSTOM
DISC (20)	30 HP	2	1.30	2.40	
FERT. SPREADER	30 HP	1	0.30	0.30	
FERT. SPREADER	20 HP	1	0.25	0.25	
FLOAT	30 HP	1	0.60	0.60	
DRILL	30 HP	1	0.60	0.60	
BRIGATE (20)		2	1.50	3.00	

ANNUAL PERMANENT PASTURE

MACHINE	POWER UNIT	TIMES OVER	ACCOMPLISHMENT		
			RATE	TOTAL	CUSTOM
FERT. SPREADER	30 HP	1	0.30	0.30	
DISC (MANTENANCE)		1	1.25	1.25	
BRIGATE (20)		5	1.13	6.79	

ANNUAL REPAIR COSTS AS A PERCENT OF NEW VALUE

Hours of Use	1	2	3	4	5	6	7	8	9
0	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
50	0.000000	0.000020	0.000040	0.000060	0.000080	0.000100	0.000120	0.000140	0.000160
100	0.000000	0.000040	0.000080	0.000120	0.000160	0.000200	0.000240	0.000280	0.000320
200	0.000000	0.000080	0.000160	0.000240	0.000320	0.000400	0.000480	0.000560	0.000640
300	0.000000	0.000120	0.000240	0.000360	0.000480	0.000600	0.000720	0.000840	0.000960
400	0.000000	0.000160	0.000320	0.000480	0.000640	0.000800	0.000960	0.001120	0.001280
500	0.000000	0.000200	0.000400	0.000600	0.000800	0.001000	0.001200	0.001400	0.001600
600	0.000000	0.000240	0.000480	0.000720	0.000960	0.001200	0.001440	0.001680	0.001920
700	0.000000	0.000280	0.000560	0.000840	0.001120	0.001400	0.001680	0.001960	0.002240
800	0.000000	0.000320	0.000640	0.000960	0.001280	0.001600	0.001920	0.002240	0.002560
900	0.000000	0.000360	0.000720	0.001080	0.001440	0.001800	0.002160	0.002520	0.002880
1000	0.000000	0.000400	0.000800	0.001200	0.001600	0.002000	0.002400	0.002800	0.003200
1200	0.000040	0.000140	0.000240	0.000340	0.000440	0.000540	0.000640	0.000740	0.000840
1400	0.000080	0.000280	0.000480	0.000680	0.000880	0.001080	0.001280	0.001480	0.001680
1600	0.000120	0.000320	0.000520	0.000720	0.000920	0.001120	0.001320	0.001520	0.001720
1800	0.000160	0.000420	0.000620	0.000820	0.001020	0.001220	0.001420	0.001620	0.001820
2000	0.000200	0.000520	0.000720	0.000920	0.001120	0.001320	0.001520	0.001720	0.001920
2500	0.000300	0.000720	0.001120	0.001520	0.001920	0.002320	0.002720	0.003120	0.003520
3000	0.000400	0.000920	0.001320	0.001720	0.002120	0.002520	0.002920	0.003320	0.003720
3500	0.000500	0.001120	0.001520	0.001920	0.002320	0.002720	0.003120	0.003520	0.003920
4000	0.000600	0.001320	0.001720	0.002120	0.002520	0.002920	0.003320	0.003720	0.004120
4500	0.000700	0.001520	0.001920	0.002320	0.002720	0.003120	0.003520	0.003920	0.004320
5000	0.000800	0.001720	0.002120	0.002520	0.002920	0.003320	0.003720	0.004120	0.004520
5500	0.000900	0.001920	0.002320	0.002720	0.003120	0.003520	0.003920	0.004320	0.004720
6000	0.001000	0.002120	0.002520	0.002920	0.003320	0.003720	0.004120	0.004520	0.004920
6500	0.001100	0.002320	0.002720	0.003120	0.003520	0.003920	0.004320	0.004720	0.005120
7000	0.001200	0.002520	0.002920	0.003320	0.003720	0.004120	0.004520	0.004920	0.005320
7500	0.001300	0.002720	0.003120	0.003520	0.003920	0.004320	0.004720	0.005120	0.005520
8000	0.001400	0.002920	0.003320	0.003720	0.004120	0.004520	0.004920	0.005320	0.005720
8500	0.001500	0.003120	0.003520	0.003920	0.004320	0.004720	0.005120	0.005520	0.005920
9000	0.001600	0.003320	0.003720	0.004120	0.004520	0.004920	0.005320	0.005720	0.006120
9500	0.001700	0.003520	0.003920	0.004320	0.004720	0.005120	0.005520	0.005920	0.006320
10000	0.001800	0.003720	0.004120	0.004520	0.004920	0.005320	0.005720	0.006120	0.006520

* Based on unpublished data of D. R. Hunt, Department of Agricultural Engineers, University of Illinois

** Based on "Agricultural Machinery Data" in Agricultural Engineers Handbook, 1985

- Code
- 1 tractor
 - 2 baler, combine, forage harrow, windrower, sickle
 - 3 rotary row, disk, moldboard plow, chisel, field cultivator, row cultivator, weed grower
 - 4 harrow, weeder, flail, roll, disk, disc, roller, water wheel
 - 5 implements, other cultivator, roller, mower, disk roller
 - 6 implements, other cultivator, roller, mower, disk roller, corn heads, forage equipment, rotary mowers, disk choppers, hay mowers, hay truss
 - 7 baler, roller, mower
 - 8 baler or combine, mowing machine
 - 9 baler, disk, mowing machine, mounted mowers
 - 0 fertilizer distributor equipment

TABLE 6. Alfalfa establishment, flood-irrigated, budgeted per acre costs and returns for a 35 acre part-time farm, Hondo Valley, Lincoln County, Projected 2012.

Planting dates: August 15 - October 1

ITEM	PRICE	QUANTITY	PURCHASED INPUTS						TOTAL
PURCHASED INPUTS									
ALFALFA SEED	\$6.50	20 LBS	\$130.00						\$130.00
PHOSPHORUS (P2O5)	\$0.75	50 LBS	\$37.50						\$37.50
CANAL WATER		12 AC. IN.							
SUBTOTAL			\$167.50						\$167.50
PREHARVEST OPERATIONS									
	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL	
DISC (2X)	30 HP	2.40 HR		\$17.28	\$34.11	\$4.37	\$31.32	\$87.08	
HARROW	30 HP	0.30 HR		\$2.16	\$4.26	\$0.33	\$8.31	\$15.06	
FLOAT	30 HP	0.60 HR		\$4.32	\$8.53	\$0.65	\$13.10	\$26.60	
FERT. SPREADER	30 HP	0.30 HR		\$2.16	\$4.26	\$0.60	\$10.79	\$17.81	
DRILL	30 HP	0.30 HR		\$2.16	\$4.26	\$0.47	\$23.09	\$29.98	
IRRIGATE (2X)		1.00 HR		\$7.50				\$7.50	
SUBTOTAL		4.90 HR		\$35.58	\$55.43	\$6.42	\$86.60	\$184.03	
OVERHEAD EXPENSES									
DOWNTIME		0.98 HR		\$7.02				\$7.02	
EMPLOYEE BENEFITS				\$4.27				\$4.27	
FARM INSURANCE			\$0.43					\$0.43	
SUPERVISION AND MANAGEMENT				\$17.01				\$17.01	
SUBTOTAL		0.98 HR	\$0.43	\$28.30				\$28.73	
TOTAL OPERATING EXPENSES		5.88 HR	\$167.93	\$63.88	\$55.43	\$6.42	\$86.60	\$380.26	

TABLE 7. Alfalfa hay, flood-irrigated, budgeted per acre costs and returns for a 35 acre part-time farm, Hondo Valley, Lincoln County, Projected 2012.

Harvesting dates: June 15 - September 15									
ITEM	PRICE	YIELD		TOTAL					
GROSS RETURNS									
ALFALFA HAY	\$265.00	4.00	TONS STACKED	\$1,060.00					
GRAZING	\$15.00	1.00	ACRE	\$15.00					
TOTAL									\$1,075.00
PURCHASED INPUTS									
PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS				FIXED COST	TOTAL	
NITROGEN (N)	\$0.89	20 LBS	\$17.80					\$17.80	
PHOSPHORUS (P2O5)	\$0.75	90 LBS	\$67.50					\$67.50	
INSECTICIDE	\$16.00	1 ACRE	\$16.00					\$16.00	
WIRE	\$0.84	35 LBS	\$29.40					\$29.40	
ESTABLISHMENT: Principal		5 YEARS					\$76.05	\$76.05	
: Interest							\$12.89	\$12.89	
CANAL WATER		30 AC. IN.							
PUMP WATER*		6 AC. IN.							
SUBTOTAL			\$130.70				\$88.94	\$219.64	
PREHARVEST OPERATIONS									
PURCHASED INPUTS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL	
FERT. SPREADER	30 HP	0.30 HR		\$2.16	\$4.26	\$0.60	\$10.79	\$17.81	
DITCH MAINTENANCE		0.25 HR		\$1.80				\$1.80	
IRRIGATE (6X)		3.00 HR		\$22.50	\$9.83	\$0.00	\$23.26	\$55.59	
SUBTOTAL		3.55 HR		\$26.46	\$14.10	\$0.60	\$34.05	\$75.21	
HARVEST OPERATIONS									
MOWER (3X)	30 HP	3.00 HR		\$21.60	\$42.64	\$4.33	\$26.73	\$95.29	
RAKE (3X)	30 HP	1.50 HR		\$10.80	\$21.32	\$2.27	\$23.02	\$57.40	
BALER, PTO (3X)	30 HP	1.50 HR		\$10.80	\$21.32	\$1.85	\$47.68	\$81.65	
HAUL (3X)	30 HP	1.50 HR		\$10.80	\$21.32	\$1.62	\$6.39	\$40.13	
SUBTOTAL		7.50 HR		\$54.00	\$106.59	\$10.06	\$103.82	\$274.47	
OVERHEAD EXPENSES									
DOWNTIME		2.01 HR		\$14.49				\$14.49	
EMPLOYEE BENEFITS				\$9.66				\$9.66	
FARM INSURANCE			\$0.97					\$0.97	
LAND TAXES							\$1.27	\$1.27	
SUPERVISION AND MANAGEMENT				\$50.03				\$50.03	
OTHER EXPENSES			\$362.27					\$362.27	
SUBTOTAL		2.01 HR		\$363.24	\$74.17		\$1.27	\$438.67	
TOTAL OPERATING EXPENSES		13.06 HR		\$493.94	\$154.63	\$120.69	\$10.66	\$228.08	\$1,007.99
NET OPERATING PROFIT									\$67.01
INTEREST ON OPERATING CAPITAL		(\$517.38	@	7.00%)		\$10.26	
INTEREST ON EQUIPMENT INVESTMENT									\$119.57
RETURN TO LAND AND RISK									(\$62.83)

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

BUDGET SUMMARY

GROSS RETURN		\$1,075.00	
VARIABLE OPERATING EXPENSES	\$635.55		
RETURN OVER VARIABLE EXPENSES		\$439.45	(GROSS MARGINS)
FIXED EXPENSES	\$228.08		
NET FARM INCOME		\$211.37	(RETURNS TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$154.63		
NET OPERATING PROFIT		\$56.74	(RETURNS TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$119.57		
RETURN TO LAND AND RISK		(\$62.83)	

TABLE 8. Permanent pasture establishment, flood-irrigated, budgeted per acre costs and returns for a 35 acre part-time farm, Hondo Valley, Lincoln County, Projected 2012.
Planting dates: August 15 - September 15

ITEM	PRICE	QUANTITY	PURCHASED INPUTS					TOTAL
PURCHASED INPUTS								
PASTURE SEED	\$2.98	20.00 LBS	\$59.60					\$59.60
NITROGEN (N)	\$0.89	50 LBS	\$44.50					\$44.50
PHOSPHORUS (P2O5)	\$0.75	20 LBS	\$15.00					\$15.00
CANAL WATER		12.00 AC. IN.						
SUBTOTAL			\$119.10					\$119.10
PREHARVEST OPERATIONS								
	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
DISC (2X)	30 HP	2.40 HR		\$17.28	\$34.11	\$4.37	\$31.32	\$87.08
HARROW	30 HP	0.30 HR		\$2.16	\$4.26	\$0.33	\$8.31	\$15.06
FERT. SPREADER	30 HP	0.30 HR		\$2.16	\$4.26	\$0.60	\$10.79	\$17.81
FLOAT	30 HP	0.60 HR		\$4.32	\$8.53	\$0.65	\$13.10	\$26.60
DRILL	30 HP	0.30 HR		\$2.16	\$4.26	\$0.47	\$23.09	\$29.98
IRRIGATE (3X)		1.00 HR		\$7.50				\$7.50
SUBTOTAL		4.90 HR		\$35.58	\$55.43	\$6.42	\$86.60	\$184.03
OVERHEAD EXPENSES								
DOWNTIME		0.98 HR		\$7.02				\$7.02
EMPLOYEE BENEFITS				\$4.27				\$4.27
FARM INSURANCE			\$0.43					\$0.43
SUPERVISION AND MANAGEMENT				\$15.08				\$15.08
OTHER EXPENSES			\$362.27					\$362.27
SUBTOTAL		0.98 HR	\$362.70	\$26.36				\$389.06
TOTAL OPERATING EXPENSES		5.88 HR	\$481.80	\$61.94	\$55.43	\$6.42	\$86.60	\$692.19

TABLE 10. Summary of per acre costs and returns for a 35 acre part-time farm, Hondo Valley, Lincoln County, Projected 2012.

	ALFALFA ESTABLISHMENT	ALFALFA HAY	ANNUAL PASTURE ESTABLISHMENT	ANNUAL PASTURE
		TONS		AUMS
PRIMARY YIELD		4.00		10.00
PRIMARY PRICE		\$265.00		\$12.00
GOVERNMENT PAYMENTS		\$0.00		\$0.00
SECOND INCOME		\$15.00		\$0.00
GROSS RETURN		\$1,075.00		\$120.00
CASH OPERATING EXPENSES				
SEED	\$130.00		\$59.60	
FERTILIZER	\$37.50	\$85.30	\$59.50	\$59.50
CHEMICALS		\$16.00		
CROP INSURANCE				
OTHER PURCHASED INPUTS		\$29.40		
CANAL WATER				
FUEL, OIL & LUBRICANTS-EQUIPMENT	\$55.43	\$110.85	\$55.43	\$4.26
FUEL-IRRIGATION		\$9.83		\$9.83
REPAIRS	\$6.42	\$10.66	\$6.42	\$0.60
CUSTOM CHARGES				
LAND TAXES		\$1.27		\$1.27
OTHER EXPENSES	\$0.43	\$363.24	\$362.70	\$362.55
TOTAL CASH EXPENSES	\$229.78	\$626.55	\$543.65	\$438.01
RETURN OVER CASH EXPENSES	(\$229.78)	\$448.45	(\$543.65)	(\$318.01)
FIXED EXPENSES	\$86.60	\$226.81	\$86.60	\$140.93
TOTAL EXPENSES	\$316.38	\$853.36	\$630.25	\$578.94
NET FARM INCOME	(\$316.38)	\$221.64	(\$630.25)	(\$458.94)
LABOR AND MANAGEMENT COSTS	\$63.88	\$154.63	\$61.94	\$34.19
NET OPERATING PROFIT	(\$380.26)	\$67.01	(\$692.19)	(\$493.13)
CAPITAL COSTS				
INTEREST ON OPERATING CAPITAL		\$10.26		\$7.08
INTEREST ON EQUIPMENT INVESTMENT		\$119.57		\$25.30
TOTAL CAPITAL COSTS	\$0.00	\$129.83	\$0.00	\$32.37
RETURN TO LAND AND RISK	(\$380.26)	(\$62.83)	(\$692.19)	(\$525.50)

TABLE 11. Whole farm summary, Hondo Valley, Lincoln County,
Projected 2012.

GROSS RETURNS		
ALFALFA HAY	10.00 ACRES	
CROP		\$10,600
GRAZING		\$150
PASTURE	20.00 ACRES	
GRAZING		\$2,400
GROSS RETURN		<u>\$13,150</u>
CASH OPERATING EXPENSES		
SEED		\$379
FERTILIZER		\$2,237
CHEMICALS		\$160
CROP INSURANCE		\$0
OTHER PURCHASED INPUTS		\$294
CANAL WATER		\$0
FUEL, OIL & LUBRICANTS-EQUIPMENT		\$1,416
FUEL-IRRIGATION		\$295
REPAIRS		\$144
CUSTOM CHARGES		\$0
LAND TAXES		\$38
OTHER EXPENSES		\$11,610
TOTAL CASH EXPENSES		<u>\$16,573</u>
RETURN OVER CASH EXPENSES		(\$3,423)
FIXED EXPENSES		\$3,288
TOTAL EXPENSES		\$19,861
NET FARM INCOME		(\$6,711)
LABOR AND MANAGEMENT COSTS		\$2,482
NET OPERATING PROFIT		(\$9,192)
CAPITAL COSTS		
INTEREST ON OPERATING CAPITAL		\$244
INTEREST ON EQUIPMENT INVESTMENT		\$1,702
TOTAL CAPITAL COSTS		<u>\$1,946</u>
RETURN TO LAND AND RISK		<u>(\$11,138)</u>

LAND VALUE	RETURNS TO RISK*	RETURN ON INVESTMENT**
\$700 /ACRE	(\$11,873)	-19.01%
\$900 /ACRE	(\$12,083)	-16.60%
\$1,100 /ACRE	(\$12,293)	-14.74%
\$1,300 /ACRE	(\$12,503)	-13.25%
\$1,500 /ACRE	(\$12,713)	-12.04%
\$1,700 /ACRE	(\$12,923)	-11.03%
\$1,900 /ACRE	(\$13,133)	-10.17%
\$2,100 /ACRE	(\$13,343)	-9.44%

* 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)