

BUDGET AREA..... HONDO VALLEY, LINCOLN COUNTY, Projected 2011.  
FARM SIZE..... 35 ACRES  
IRRIGATION TYPE..... FLOOD  
NUMBER OF CROPS..... 4

TABLE 1. Acreage Summary, Lincoln County,  
Projected 2011.

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		1,008
	ACRE FEET PER ACRE OF WATER RIGI		2.40

\*DOUBLE-CROPPED

TABLE 2. Basic cost information for Lincoln County,  
Projected 2011.

Item			
<b>Labor Wage Rate:</b>			
Equipment operators		\$/hour	\$7.20
General & Irrigators		\$/hour	\$7.25
<b>Purchased Inputs:</b>			
Fertilizer:			
Nitrogen (N)		\$/pound	\$0.71
Phosphorus (P205)		\$/pound	\$0.65
Seed:			
Alfalfa		\$/pound	\$3.30
Pasture		\$/pound	\$1.90
Natural Gas		\$/MCF	\$3.75
Diesel fuel		\$/gallon	\$2.95
Gasoline		\$/gallon	\$3.05
Electricity		cents/kwhr	10.23
Employee Liability Insurance		\$/ \$1,000 wages	\$12.00
Employee Benefits		percent/wages	12.00%
Labor Downtime		percent	25.00%
<b>Financial Rates:</b>			
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 - R	\$/ \$1,000 (Assessed Value)	\$21.72 \$20.61
<b>Supervision Factors</b>			
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 2011.

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. Pumps costs and data for irrigation wells, Lincoln County, Paired 2011.

ADJUST DATA  
DOLLARS PER SPRINKLER 0 DEPTH CHARACTERISTICS 50 STATE 25  
DRAIN CORN 25  
TOTAL HEAD 75  
CAPAC 100  
GALLONS PER MINUTE (GPM) 400  
WORK HORSEPOWER 6  
EFFICIENCY FACTOR:  
ELECTRICITY 0.447  
NATURAL GAS 0.126  
LPG GAS 0.186  
DIESEL 0.132  
FUEL COST PER HOUR:  
ELECTRICITY \$0.33 CENT/KWH  
NATURAL GAS \$3.75 \$MGCF  
LPG GAS \$2.57 \$GAL  
DIESEL \$2.95 \$GAL  
PUMPING COSTS  
ELECTRICAL WELL:  
COST PER HOUR \$1.30  
COST PER ACRE INCH \$1.66  
NATURAL GAS WELL:  
COST PER HOUR \$6.66  
COST PER ACRE INCH \$8.75  
BUTANE WELL:  
COST PER HOUR \$0.78  
COST PER ACRE INCH \$0.89  
DIESEL WELL:  
COST PER HOUR \$2.03  
COST PER ACRE INCH \$2.36

TABLE 5. Equipment summary for a 20-acre test area farm, Florida Valley, Lincoln County, Paired 2011.

EQUIPMENT SUMMARY TABLE

EQUIPMENT	ITEM #	SIZE	ANNUAL HOURS OF USE	NUMBER	FUEL OIL COSTS				REPAIR PER HOUR	TOTAL FUEL OIL PER HOUR	FISHER COSTS		TOTAL PER HOUR
					TOTAL VALUE	LUBRICANT	FUEL OIL	REPAIR			DEPRECIATION	TAXES	
TRACTOR 20 HP	100	1	\$6,911	\$1,136	\$107	\$11.41	\$1.08	\$265	\$28	\$26	\$426		
BALER PTO 10	1	\$200	20	\$1	\$2	\$0.15	\$0.15	\$285	\$28	\$26	\$339		
HARROW 8 FT	1	\$200	20	\$1	\$2	\$0.15	\$0.15	\$40	\$4	\$4	\$58		
FLOAT 8 FT	1	\$400	10	\$4	\$8	\$0.30	\$0.30	\$10	\$1	\$1	\$121		
DISC 8 FT	1	\$300	15	\$3	\$6	\$0.20	\$0.20	\$20	\$2	\$2	\$79		
FERT SPREADER 8 FT	1	\$2,300	15	\$23	\$46	\$1.53	\$1.53	\$107	\$11	\$11	\$177		
RAKE 8 FT	1	\$1,500	25	\$15	\$30	\$1.00	\$1.00	\$75	\$8	\$8	\$118		
DRILL 8 FT	1	\$1,000	25	\$10	\$20	\$0.75	\$0.75	\$50	\$5	\$5	\$76		
MOVER 7 FT	1	\$2,300	20	\$23	\$46	\$1.53	\$1.53	\$107	\$11	\$11	\$177		
WELL ELECTRIC 204	1	\$6,000	\$270	\$0	\$1.33	\$0.00	\$0	\$40	\$26	\$26	\$343		
				\$22,951	\$1,456	\$144			\$2,200	\$220			

USAGE LIST

EQUIPMENT LIST

ITEM	NEW VALUE	USED VALUE	YEARS LEFT	EQUIP CODE	MAX HOURS	FUEL LBS/HR	LIBR CODE	ACCUM HOURS	INTEREST AGE	EXPENSE
TRACTOR 20 HP	17,976	6,911	50	1	800	3.40	0.10	1944.00	15	629.13
BALER PTO 10 HP	200	1,600	20	2	500	0.50		270.00	18	268.00
HARROW 8 FT	400	200	15	4	300	0.15		18.20	16	14.00
FLOAT 8 FT	400	400	15	5	300	0.30		15.80	16	41.00
DISC 8 FT	1,500	800	15	5	300	0.20		153.00	15	42.00
FERT SPREADER 8 FT	4,600	2,300	15	9	150	1.53		153.00	15	161.00
RAKE 8 FT	2,100	1,500	25	6	500	1.00		202.00	15	108.00
DRILL 8 FT	2,000	1,000	25	8	100	0.75		15.00	15	70.00
MOVER 7 FT	2,300	1,300	25	6	300	1.53		400.00	15	215.00
WELL ELECTRIC	16,000	8,000	25	0	8,742	3065.05		15	50.00	

INTEREST PRODUCTION

ALPHA ALPHA PASTURE

ALPHA PASTURE	ANNUAL PUMP WATER
4227	1.88
3958	0.20
0.00	0.00
0.00	0.00
0.00	0.00
4.74	4.74
18.87	0.00
0.00	0.00
9.16	0.00
18.87	18.87
119.57	25.30

ALPHA ESTABLISHMENT

ACRES: 2 PUMP WATER: 1

MACHINE	POWER UNIT	TURNS OVER	RATE	TOTAL	CUSTOM
DEC/DX	30 HP	2.00	1.20	2.40	
HARROW	30 HP	1.00	0.30	0.30	
FLOAT	30 HP	1	0.60	0.60	
FERT SPREADER	30 HP	1.00	0.30	0.30	
IRRIGATE DX	30 HP	2	1.50	3.00	

ALPHA HAY

ACRES: 10 PUMP WATER: 6

MACHINE	POWER UNIT	TURNS OVER	RATE	TOTAL	CUSTOM
FERT SPREADER	30 HP	1	0.30	0.30	
DET-M MAINTENANCE			1	0.26	0.26
IRRIGATE DX	6	1.13	6.79		
MOVER 100	30 HP	3	1.00	3.00	
RAKE DX	30 HP	3	0.90	2.70	
BALER PTO DX	30 HP	3	0.90	2.70	
HAY DX	30 HP	3	0.90	2.70	

PERMANENT PASTURE EST.

ACRES: 2 PUMP WATER:

MACHINE	POWER UNIT	TURNS OVER	RATE	TOTAL	CUSTOM
DEC/DX	30 HP	2	1.20	2.40	
HARROW	30 HP	1	0.30	0.30	
FERT SPREADER	30 HP	1	0.30	0.30	
FLOAT	30 HP	1	0.60	0.60	
IRRIGATE DX	30 HP	2	1.50	3.00	

ANNUAL PERMANENT PASTURE

ACRES: 20 PUMP WATER: 6

MACHINE	POWER UNIT	TURNS OVER	RATE	TOTAL	CUSTOM
FERT SPREADER	30 HP	1	0.30	0.30	
DET-M MAINTENANCE			1	0.26	0.26
IRRIGATE DX	5	1.13	6.79		

ANNUAL REPAIR COSTS AS A PERCENT OF NEW VALUE

Table with columns: Years after purchase (1-9) and Repair Percent (0.00000 to 0.00324)

\* Based on unpublished data of D. R. Furt, Department of Agricultural Engineering, University of Illinois.

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

Codes

- 1 tractors
- 2 balers, combine, forage harvesters, windrows, rollers
- 3 rotary hoes, disks, moldboard plows, chisels, field cultivators
- 4 harrows, weathers, flares, row crop, roller, water lawns
- 5 disc, subsoiler, roller, rollers, roller, roller, roller, roller
- 6 subsoiler, roller, rollers, roller, roller, roller, roller
- 7 row crop, roller, roller
- 8 disk, roller, roller
- 9 harrow, roller, roller
- 0 skidder, skid, woodchip equipment, mounted sprayers
- 9 harrow, roller, roller

TABLE 6. Alfalfa establishment, flood-irrigated, budgeted per acre costs and returns for a 35 acre part-time farm, Hondo Valley, Lincoln County, Projected 2011.  
Planting dates: August 15 - October 1

ITEM	PRICE	QUANTITY	PURCHASED INPUTS	TOTAL				
<b>PURCHASED INPUTS</b>								
ALFALFA SEED	\$3.30	20 LBS	\$66.00	\$66.00				
PHOSPHORUS (P2O5)	\$0.65	50 LBS	\$32.50	\$32.50				
CANAL WATER		12 AC. IN.						
SUBTOTAL			\$98.50	\$98.50				
<b>PREHARVEST OPERATIONS</b>								
	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
DISC (2X)	30 HP	2.40 HR		\$17.28	\$27.38	\$4.37	\$31.32	\$80.35
HARROW	30 HP	0.30 HR		\$2.16	\$3.42	\$0.33	\$8.31	\$14.22
FLOAT	30 HP	0.60 HR		\$4.32	\$6.84	\$0.65	\$13.10	\$24.92
FERT. SPREADER	30 HP	0.30 HR		\$2.16	\$3.42	\$0.60	\$10.79	\$16.97
DRILL	30 HP	0.30 HR		\$2.16	\$3.42	\$0.47	\$23.09	\$29.14
IRRIGATE (2X)		1.00 HR		\$7.25				\$7.25
SUBTOTAL		4.90 HR		\$35.33	\$44.49	\$6.42	\$86.60	\$172.84
<b>OVERHEAD EXPENSES</b>								
DOWNTIME		0.98 HR		\$7.02				\$7.02
EMPLOYEE BENEFITS				\$4.24				\$4.24
FARM INSURANCE			\$0.42					\$0.42
SUPERVISION AND MANAGEMENT				\$13.80				\$13.80
SUBTOTAL		0.98 HR	\$0.42	\$25.06				\$25.49
<b>TOTAL OPERATING EXPENSES</b>		5.88 HR	\$98.92	\$60.39	\$44.49	\$6.42	\$86.60	\$296.83

TABLE 7. Alfalfa hay, flood-irrigated, budgeted per acre costs and returns for a 35 acre part-time farm, Hondo Valley, Lincoln County, Projected 2011.

Harvesting dates: June 15 - September 15									
ITEM	PRICE	YIELD		TOTAL					
<b>GROSS RETURNS</b>									
ALFALFA HAY	\$165.00	4.00	TONS STACKED	\$660.00					
GRAZING	\$15.00	1.00	ACRE	\$15.00					
TOTAL									\$675.00
<b>PURCHASED INPUTS</b>									
PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS				FIXED COST	TOTAL	
NITROGEN (N)	\$0.71	20 LBS	\$14.20					\$14.20	
PHOSPHORUS (P2O5)	\$0.65	90 LBS	\$58.50					\$58.50	
INSECTICIDE	\$16.00	1 ACRE	\$16.00					\$16.00	
WIRE	\$0.61	35 LBS	\$21.35					\$21.35	
ESTABLISHMENT: Principal		5 YEARS					\$59.37	\$59.37	
: Interest							\$9.23	\$9.23	
CANAL WATER		30 AC. IN.							
PUMP WATER*		6 AC. IN.							
SUBTOTAL			\$110.05				\$68.59	\$178.64	
<b>PREHARVEST OPERATIONS</b>									
PURCHASED INPUTS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL	
FERT. SPREADER	30 HP	0.30 HR		\$2.16	\$3.42	\$0.60	\$10.79	\$16.97	
DITCH MAINTENANCE		0.25 HR		\$1.80				\$1.80	
IRRIGATE (6X)		3.00 HR		\$21.75	\$8.99	\$0.00	\$23.26	\$54.01	
SUBTOTAL		3.55 HR		\$25.71	\$12.42	\$0.60	\$34.05	\$72.78	
<b>HARVEST OPERATIONS</b>									
MOWER (3X)	30 HP	3.00 HR		\$21.60	\$34.22	\$4.33	\$26.73	\$86.88	
RAKE (3X)	30 HP	1.50 HR		\$10.80	\$17.11	\$2.27	\$23.02	\$53.20	
BALER, PTO (3X)	30 HP	1.50 HR		\$10.80	\$17.11	\$1.85	\$47.68	\$77.44	
HAUL (3X)	30 HP	1.50 HR		\$10.80	\$17.11	\$1.62	\$6.39	\$35.92	
SUBTOTAL		7.50 HR		\$54.00	\$85.55	\$10.06	\$103.82	\$253.44	
<b>OVERHEAD EXPENSES</b>									
DOWNTIME		2.01 HR		\$14.49				\$14.49	
EMPLOYEE BENEFITS				\$9.57				\$9.57	
FARM INSURANCE			\$0.96					\$0.96	
LAND TAXES							\$1.27	\$1.27	
SUPERVISION AND MANAGEMENT				\$34.03				\$34.03	
OTHER EXPENSES			\$362.27					\$362.27	
SUBTOTAL		2.01 HR		\$363.23	\$58.08		\$1.27	\$422.58	
TOTAL OPERATING EXPENSES		13.06 HR		\$473.28	\$137.79	\$97.97	\$10.66	\$207.73	\$927.43
NET OPERATING PROFIT									(\$252.43)
INTEREST ON OPERATING CAPITAL		(	\$455.34	@	7.00%	)			\$8.68
INTEREST ON EQUIPMENT INVESTMENT									\$119.57
RETURN TO LAND AND RISK									(\$380.68)

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

BUDGET SUMMARY

GROSS RETURN		\$675.00	
VARIABLE OPERATING EXPENSES	\$590.58		
RETURN OVER VARIABLE EXPENSES		\$84.42	(GROSS MARGINS)
FIXED EXPENSES	\$207.73		
NET FARM INCOME		(\$123.32)	(RETURNS TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$137.79		
NET OPERATING PROFIT		(\$261.11)	(RETURNS TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$119.57		
RETURN TO LAND AND RISK		(\$380.68)	

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 2011.

Planting dates: August 15 - September 15

ITEM	PRICE	QUANTITY	PURCHASED INPUTS					TOTAL
<b>PURCHASED INPUTS</b>								
PASTURE SEED	\$1.90	20.00 LBS	\$38.00					\$38.00
NITROGEN (N)	\$0.71	50 LBS	\$35.50					\$35.50
PHOSPHORUS (P2O5)	\$0.65	20 LBS	\$13.00					\$13.00
CANAL WATER		12.00 AC. IN.						
SUBTOTAL			\$86.50					\$86.50
<b>PREHARVEST OPERATIONS</b>								
	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
DISC (2X)	30 HP	2.40 HR		\$17.28	\$27.38	\$4.37	\$31.32	\$80.35
HARROW	30 HP	0.30 HR		\$2.16	\$3.42	\$0.33	\$8.31	\$14.22
FERT. SPREADER	30 HP	0.30 HR		\$2.16	\$3.42	\$0.60	\$10.79	\$16.97
FLOAT	30 HP	0.60 HR		\$4.32	\$6.84	\$0.65	\$13.10	\$24.92
DRILL	30 HP	0.30 HR		\$2.16	\$3.42	\$0.47	\$23.09	\$29.14
IRRIGATE (3X)		1.00 HR		\$7.25				\$7.25
SUBTOTAL		4.90 HR		\$35.33	\$44.49	\$6.42	\$86.60	\$172.84
<b>OVERHEAD EXPENSES</b>								
DOWNTIME		0.98 HR		\$7.02				\$7.02
EMPLOYEE BENEFITS				\$4.24				\$4.24
FARM INSURANCE			\$0.42					\$0.42
SUPERVISION AND MANAGEMENT				\$13.32				\$13.32
OTHER EXPENSES			\$362.27					\$362.27
SUBTOTAL		0.98 HR	\$362.70	\$24.58				\$387.28
<b>TOTAL OPERATING EXPENSES</b>		<b>5.88 HR</b>	<b>\$449.20</b>	<b>\$59.91</b>	<b>\$44.49</b>	<b>\$6.42</b>	<b>\$86.60</b>	<b>\$646.62</b>

TABLE 9. Permanent pasture, flood-irrigated, budgeted per acre costs and returns for a 35 acre part-time farm, Hondo Valley, Lincoln County, Projected 2011.

Harvesting dates: March 1 - September 30								
ITEM	PRICE	YIELD		TOTAL				
GROSS RETURNS								
PASTURE	\$12.00	10.00 AUMS						\$120.00
TOTAL								\$120.00
PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS				FIXED COST	TOTAL
NITROGEN (N)	\$0.71	50 LBS	\$35.50					\$35.50
PHOSPHORUS (P2O5)	\$0.65	20 LBS	\$13.00					\$13.00
LIVESTOCK FAC & EQUIP							\$12.00	\$12.00
ESTABLISHMENT: Principal		10 YEARS					\$64.66	\$64.66
: Interest							\$23.73	\$23.73
CANAL WATER		24 AC. IN.						
PUMP WATER*		6 AC. IN.						
SUBTOTAL			\$48.50				\$100.39	\$148.89
PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
FERT. SPREADER	30 HP	0.30 HR		\$2.18	\$3.42	\$0.60	\$10.79	\$16.98
DITCH MAINTENANCE		0.25 HR		\$1.81				\$1.81
IRRIGATE (5X)		2.50 HR		\$18.13	\$8.99	\$0.00	\$23.26	\$50.38
SUBTOTAL		3.05 HR		\$22.11	\$12.42	\$0.60	\$34.05	\$69.18
OVERHEAD EXPENSES								
DOWNTIME		0.14 HR		\$0.99				\$0.99
EMPLOYEE BENEFITS				\$2.65				\$2.65
FARM INSURANCE			\$0.27					\$0.27
LAND TAXES							\$1.27	\$1.27
SUPERVISION AND MANAGEMENT				\$7.58				\$7.58
OTHER EXPENSES			\$362.27					\$362.27
SUBTOTAL		0.14 HR	\$362.54	\$11.22			\$1.27	\$375.02
TOTAL OPERATING EXPENSES		3.19 HR	\$411.04	\$33.33	\$12.42	\$0.60	\$135.71	\$593.09
NET OPERATING PROFIT								(\$473.09)
INTEREST ON OPERATING CAPITAL		(	\$218.07	@	7.00%	)		\$6.42
INTEREST ON EQUIPMENT INVESTMENT								\$25.30
RETURN TO LAND AND RISK								(\$504.81)

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

BUDGET SUMMARY

GROSS RETURN		\$120.00	
VARIABLE OPERATING EXPENSES	\$430.47		
RETURN OVER VARIABLE EXPENSES		(\$310.47)	(GROSS MARGINS)
FIXED EXPENSES	\$135.71		
NET FARM INCOME		(\$446.19)	(RETURNS TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$33.33		
NET OPERATING PROFIT		(\$479.52)	(RETURNS TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$25.30		
RETURN TO LAND AND RISK		(\$504.81)	

TABLE 10. Summary of per acre costs and returns for a 35 acre part-time farm, Hondo Valley, Lincoln County, Projected 2011.

	ALFALFA ESTABLISHMENT	ALFALFA HAY	ANNUAL PASTURE ESTABLISHMENT	ANNUAL PASTURE
		TONS		AUMS
PRIMARY YIELD		4.00		10.00
PRIMARY PRICE		\$165.00		\$12.00
GOVERNMENT PAYMENTS		\$0.00		\$0.00
SECOND INCOME		\$15.00		\$0.00
GROSS RETURN		\$675.00		\$120.00
CASH OPERATING EXPENSES				
SEED	\$66.00		\$38.00	
FERTILIZER	\$32.50	\$72.70	\$48.50	\$48.50
CHEMICALS		\$16.00		
CROP INSURANCE				
OTHER PURCHASED INPUTS		\$21.35		
CANAL WATER				
FUEL, OIL & LUBRICANTS-EQUIPMENT	\$44.49	\$88.97	\$44.49	\$3.42
FUEL-IRRIGATION		\$8.99		\$8.99
REPAIRS	\$6.42	\$10.66	\$6.42	\$0.60
CUSTOM CHARGES				
LAND TAXES		\$1.27		\$1.27
OTHER EXPENSES	\$0.42	\$363.23	\$362.70	\$362.54
TOTAL CASH EXPENSES	\$149.83	\$583.18	\$500.10	\$425.32
RETURN OVER CASH EXPENSES	(\$149.83)	\$91.82	(\$500.10)	(\$305.32)
FIXED EXPENSES	\$86.60	\$206.46	\$86.60	\$134.44
TOTAL EXPENSES	\$236.43	\$789.64	\$586.71	\$559.76
NET FARM INCOME	(\$236.43)	(\$114.64)	(\$586.71)	(\$439.76)
LABOR AND MANAGEMENT COSTS	\$60.39	\$137.79	\$59.91	\$33.33
NET OPERATING PROFIT	(\$296.83)	(\$252.43)	(\$646.62)	(\$473.09)
CAPITAL COSTS				
INTEREST ON OPERATING CAPITAL		\$8.68		\$6.42
INTEREST ON EQUIPMENT INVESTMENT		\$119.57		\$25.30
TOTAL CAPITAL COSTS	\$0.00	\$128.25	\$0.00	\$31.72
RETURN TO LAND AND RISK	(\$296.83)	(\$380.68)	(\$646.62)	(\$504.81)



TABLE 11. Whole farm summary, Hondo Valley, Lincoln County,  
Projected 2011.

GROSS RETURNS		
ALFALFA HAY	10.00 ACRES	
CROP		\$6,600
GRAZING		\$150
PASTURE	20.00 ACRES	
GRAZING		\$2,400
GROSS RETURN		<u>\$9,150</u>
CASH OPERATING EXPENSES		
SEED		\$208
FERTILIZER		\$1,859
CHEMICALS		\$160
CROP INSURANCE		\$0
OTHER PURCHASED INPUTS		\$214
CANAL WATER		\$0
FUEL, OIL & LUBRICANTS-EQUIPMENT		\$1,136
FUEL-IRRIGATION		\$270
REPAIRS		\$144
CUSTOM CHARGES		\$0
LAND TAXES		\$38
OTHER EXPENSES		\$11,609
TOTAL CASH EXPENSES		<u>\$15,638</u>
RETURN OVER CASH EXPENSES		(\$6,488)
FIXED EXPENSES		\$3,213
TOTAL EXPENSES		\$18,851
NET FARM INCOME		(\$9,701)
LABOR AND MANAGEMENT COSTS		\$2,285
NET OPERATING PROFIT		(\$11,986)
CAPITAL COSTS		
INTEREST ON OPERATING CAPITAL		\$215
INTEREST ON EQUIPMENT INVESTMENT		\$1,702
TOTAL CAPITAL COSTS		<u>\$1,917</u>
RETURN TO LAND AND RISK		<u>(\$13,903)</u>

LAND VALUE	RETURNS TO RISK*	RETURN ON INVESTMENT**
\$700 /ACRE	(\$14,638)	-24.78%
\$900 /ACRE	(\$14,848)	-21.65%
\$1,100 /ACRE	(\$15,058)	-19.22%
\$1,300 /ACRE	(\$15,268)	-17.28%
\$1,500 /ACRE	(\$15,478)	-15.70%
\$1,700 /ACRE	(\$15,688)	-14.38%
\$1,900 /ACRE	(\$15,898)	-13.26%
\$2,100 /ACRE	(\$16,108)	-12.31%

\* 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)