

TABLE 1. Acreage Summary, Valencia and Southern Bernalillo Counties, Projected 2012.

| BUDGET AREA..... VALENCIA AND SOUTHERN BERNALILLO COUNTIES | | | |
|--|------------------|----------------|--------------|
| FARM SIZE..... | 30 ACRES | | |
| IRRIGATION TYPE..... | FLOOD | | |
| NUMBER OF CROPS.... | 5 | | |
| | WATER USE | | |
| ACREAGE SUMMARY: | LAND USE (ACRES) | AC.IN. PER AC. | TOTAL AC.IN. |
| ALFALFA ESTABLISHMENT | 3.50 * | 12 | 42 |
| ALFALFA | 20.00 | 44 | 880 |
| OAT HAY | 5.00 | 24 | 120 |
| SORGHUM HAY | 5.00 * | 24 | 120 |
| GREEN CHILE | 1.00 | 48 | 48 |
| JALAPENOS | 1.00 | 48 | 48 |
| DITCHES, HOMESTEAD | 3.00 | | |
| TOTAL | 30.00 | | 1,258 |
| ACRE FEET PER ACRE OF WATER RIGHTS | | | 3.49 |

* DOUBLE-CROPPED

TABLE 2. Basic cost information for Valencia and Southern Bernalillo Counties, Projected 2012.

| Item | | | |
|---------------------------------|----------|---------------------------|---------|
| Labor Wage Rate: | | \$/hour | \$7.50 |
| Purchased Inputs: | | | |
| Fertilizer: | | | |
| Nitrogen (N) | | \$/pound | \$0.89 |
| Phosphate (P205) | | \$/pound | \$0.75 |
| Seed: | | | |
| Alfalfa | | \$/pound | \$6.50 |
| Oats | | \$/pound | \$0.46 |
| Green Chile | | \$/pound | \$38.00 |
| Jalapenos | | \$/pound | \$75.00 |
| Sorghum | | \$/pound | \$1.97 |
| Baling wire | | \$/pound | \$0.84 |
| Chile Sacks | | \$/sack | \$0.18 |
| Canal water | | \$/acre | \$28.00 |
| Energy: | | | |
| Butane | | \$/gallon | \$2.65 |
| Diesel fuel | | \$/gallon | \$3.00 |
| Gasoline | | \$/gallon | \$3.80 |
| Electricity | | cents/KwHr | 12.67 |
| Natural Gas | | \$/MCF | \$4.01 |
| 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% |
| Real Interest Rate | | percent | 3.00% |
| Land Taxes | \$483.00 | /acre (full value) | \$5.42 |
| Personal Property Tax Rate | - NR | \$/1,000 (Assessed Value) | \$33.64 |
| | - R | | \$28.14 |
| Supervision Factors | | | |
| Field Crop-Irrigation | | \$/labor hour | \$1.00 |
| Field Crop-Equip & 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 | 4.00% |
| Vegetable Crops | | percent/TOE | 10.00% |

TABLE 3. Overhead cost information for Valencia and Southern Bernalillo Counties, Projected 2012.

| Item | | | |
|------------------------------------|-------|------------------------|----------|
| Electricity (Domestic & Shop) | | \$54.45 per month | \$653 |
| Telephone | | \$42.35 per month | \$508 |
| Accounting & Legal | | | \$182 |
| Misc. Supplies & Hand Tools | | | \$424 |
| Pickup and Auto | | | |
| miles | 4,985 | @ \$0.500 per mile | \$2,493 |
| Insurance | | | |
| - general liability (non-employee) | | | \$188 |
| - fire/theft | | | \$157 |
| Property Taxes | | | |
| - non-planted land | | | \$78 |
| - other than land & machinery | | | \$135 |
| Building repairs and maintenance | | | \$218 |
| Dues, fees, publications | | | \$121 |
| Farmstead Equipment | | | \$182 |
| | | Total | \$5,337 |
| | | Total per planted acre | \$197.68 |

TABLE 5. Alfalfa establishment, flood-irrigated, budgeted per acre costs and returns for a 30 acre part-time farm, Valencia and Southern Bernalillo Counties, Projected 2012.

Planting dates: August 15 - September 15

| ITEM | PRICE | QUANTITY | PURCHASED INPUTS | | | | TOTAL | | |
|---------------------------------|------------|---------------------|------------------|----------|-------------|---------|------------|----------|----------|
| PURCHASED INPUTS | | | | | | | | | |
| ALFALFA SEED | \$6.50 | 20.00 LBS | | | | | \$130.00 | | |
| CANAL WATER | | 12.00 AC. IN. | | | | | \$0.00 | | |
| SUBTOTAL | | | | | | | \$130.00 | | |
| PREHARVEST OPERATIONS | | | | | | | | | |
| | POWER UNIT | ACCOMPLISHMENT RATE | PURCHASED INPUTS | LABOR | FUEL & LUBE | REPAIRS | FIXED COST | TOTAL | |
| DISC | 65 HP | 0.31 HR | | \$2.33 | \$5.73 | \$0.67 | \$7.91 | \$16.64 | |
| PLOW | 65 HP | 1.31 HR | | \$9.83 | \$24.20 | \$2.10 | \$20.44 | \$56.57 | |
| DISC | 65 HP | 0.31 HR | | \$2.33 | \$5.73 | \$0.67 | \$7.91 | \$16.64 | |
| LASER PLANE (CUSTOM) | | | \$70.71 | | | | | \$70.71 | |
| BORDER DISC | 65 HP | 0.05 HR | | \$0.38 | \$0.92 | \$0.08 | \$5.75 | \$7.13 | |
| DRILL (CUSTOM) | | | \$32.50 | | | | | \$32.50 | |
| IRRIGATE (2X) | | 1.50 HR | | \$11.25 | | | | \$11.25 | |
| SUBTOTAL | | 3.48 HR | \$103.21 | \$26.10 | \$36.58 | \$3.52 | \$42.02 | \$211.44 | |
| OVERHEAD EXPENSES | | | | | | | | | |
| DOWNTIME | | 0.50 HR | | \$3.71 | | | | \$3.71 | |
| EMPLOYEE BENEFITS | | | | \$3.13 | | | | \$3.13 | |
| INSURANCE | | | \$0.31 | | | | | \$0.31 | |
| SUPERVISION AND MANAGEMENT | | | | \$16.15 | | | | \$16.15 | |
| SUBTOTAL | | 0.50 HR | \$0.31 | \$22.99 | | | | \$23.31 | |
| TOTAL OPERATING EXPENSES | | | 3.98 HR | \$233.52 | \$49.09 | \$36.58 | \$3.52 | \$42.02 | \$364.74 |

TABLE 6. Alfalfa hay, flood-irrigated, budgeted per acre costs and returns for a 30 acre part-time farm, Valencia and Southern Bernalillo Counties, Projected 2012.
Harvesting dates: June 1 - October 15

| ITEM | PRICE | YIELD | | | | | | TOTAL |
|---------------------------------|------------|----------------------|---|-----------------|----------------|---------------|-----------------|-------------------|
| GROSS RETURNS | | | | | | | | |
| ALFALFA HAY | \$255.00 | 4.00 TONS (IN FIELD) | | | | | | \$1,020.00 |
| GRAZING | \$10.00 | 1.00 ACRE | | | | | | \$10.00 |
| TOTAL | | | | | | | | \$1,030.00 |
| PURCHASED INPUTS | | | | | | | | |
| PURCHASED INPUTS | PRICE | QUANTITY | PURCHASED INPUTS | | | | FIXED COST | TOTAL |
| PHOSPHATE (P2O5) | \$0.75 | 90 LBS | \$67.50 | | | | | \$67.50 |
| WIRE | \$0.84 | 30 LBS | \$25.20 | | | | | \$25.20 |
| ESTABLISHMENT: Principal | | 6 YEARS | | | | | \$60.79 | \$60.79 |
| : Interest | | | | | | | \$13.92 | \$13.92 |
| CANAL WATER | | 44 AC. IN. | \$28.00 | | | | | \$28.00 |
| SUBTOTAL | | | \$120.70 | | | | \$74.71 | \$195.41 |
| PREHARVEST OPERATIONS | | | | | | | | |
| | POWER UNIT | ACCOMPLISHMENT RATE | PURCHASED INPUTS | LABOR | FUEL & LUBE | REPAIRS | FIXED COST | TOTAL |
| IRRIGATE (8X) | | 6.00 HR | | \$45.00 | | | | \$45.00 |
| HARVEST OPERATIONS | | | | | | | | |
| SWATHER (CUSTOM) | | | \$23.33 | | | | | \$23.33 |
| BALER, PTO (4X) | 65 HP | 1.08 HR | | \$8.10 | \$19.95 | \$1.56 | \$33.05 | \$62.66 |
| SUBTOTAL | | | \$23.33 | \$8.10 | \$19.95 | \$1.56 | \$33.05 | \$85.99 |
| OVERHEAD EXPENSES | | | | | | | | |
| DOWNTIME | | 0.27 HR | | \$2.03 | | | | \$2.03 |
| EMPLOYEE BENEFITS | | | | \$0.97 | | | | \$0.97 |
| INSURANCE | | | \$0.10 | | | | | \$0.10 |
| LAND TAXES | | | | | | | \$5.42 | \$5.42 |
| SUPERVISION AND MANAGEMENT | | | | \$47.74 | | | | \$47.74 |
| OTHER EXPENSES | | | \$197.68 | | | | | \$197.68 |
| SUBTOTAL | | | \$197.78 | \$50.74 | | | \$5.42 | \$253.93 |
| TOTAL OPERATING EXPENSES | | 1.35 HR | \$341.81 | \$103.84 | \$19.95 | \$1.56 | \$113.17 | \$580.33 |
| NET OPERATING PROFIT | | | | | | | | \$449.67 |
| INTEREST ON OPERATING CAPITAL | | (| \$64.09 | @ | 7.00% |) | | \$4.49 |
| INTEREST ON EQUIPMENT | | | | | | | | \$28.01 |
| RETURN TO LAND AND RISK | | | | | | | | \$417.18 |
| BUDGET SUMMARY | | | | | | | | |
| GROSS RETURN | | \$1,030.00 | | | | | | |
| VARIABLE OPERATING EXPENSES | \$363.32 | | | | | | | |
| RETURN OVER VARIABLE EXPENSES | | \$666.68 | (GROSS MARGIN) | | | | | |
| FIXED EXPENSES | \$113.17 | | | | | | | |
| NET FARM INCOME | | \$553.50 | (RETURN TO CAPITAL, LABOR, LAND & RISK) | | | | | |
| LABOR AND MANAGEMENT COST | \$103.84 | | | | | | | |
| NET OPERATING PROFIT | | \$449.67 | (RETURN TO CAPITAL, LAND & RISK) | | | | | |
| CAPITAL COSTS | \$32.49 | | | | | | | |
| RETURN TO LAND AND RISK | | \$417.18 | | | | | | |

TABLE 7. Small grain hay, flood-irrigated, budgeted per acre costs and returns for a 30 acre part-time farm, Valencia and Southern Bernalillo Counties, Projected 2012.
 Planting dates: March 1 - May 1
 Harvesting dates: June 15 - July 15

| ITEM | PRICE | YIELD | | | | | | TOTAL |
|-----------------|----------|--------------------|--|--|--|--|--|----------|
| GROSS RETURNS | | | | | | | | |
| SMALL GRAIN HAY | \$245.00 | 2.50 (S (IN FIELD) | | | | | | \$612.50 |
| TOTAL | | | | | | | | \$612.50 |

| PURCHASED INPUTS | PRICE | QUANTITY | PURCHASED INPUTS | | | | FIXED COST | TOTAL |
|------------------|--------|------------|------------------|--|--|--|------------|---------|
| SEED | \$0.46 | 100 LBS | \$46.00 | | | | | \$46.00 |
| WIRE | \$0.84 | 25 LBS | \$21.00 | | | | | \$21.00 |
| CANAL WATER | | 24 AC. IN. | \$28.00 | | | | | \$28.00 |
| SUBTOTAL | | | \$95.00 | | | | | \$95.00 |

| PREHARVEST OPERATIONS | POWER UNIT | ACCOMPLISHMENT RATE | PURCHASED INPUTS | LABOR | FUEL & LUBE | REPAIRS | FIXED COST | TOTAL |
|-----------------------|------------|---------------------|------------------|---------|-------------|---------|------------|----------|
| PLOW | 65 HP | 1.31 HR | | \$9.83 | \$24.20 | \$2.10 | \$20.44 | \$56.57 |
| DISC (2X) | 65 HP | 0.62 HR | | \$4.65 | \$11.45 | \$1.34 | \$15.83 | \$33.27 |
| BORDER DISC | 65 HP | 0.05 HR | | \$0.38 | \$0.92 | \$0.08 | \$5.75 | \$7.13 |
| DRILL (CUSTOM) | | | \$7.53 | | | | | \$7.53 |
| IRRIGATE (4X) | | 3.00 HR | | \$22.50 | | | | \$22.50 |
| SUBTOTAL | | 4.98 HR | \$7.53 | \$37.35 | \$36.58 | \$3.52 | \$42.02 | \$127.01 |

| HARVEST OPERATIONS | POWER UNIT | ACCOMPLISHMENT RATE | PURCHASED INPUTS | LABOR | FUEL & LUBE | REPAIRS | FIXED COST | TOTAL |
|--------------------|------------|---------------------|------------------|--------|-------------|---------|------------|---------|
| SWATHER (CUSTOM) | | | \$23.33 | | | | | \$23.33 |
| BALER, PTO | 65 HP | 0.27 HR | | \$2.03 | \$4.99 | \$0.39 | \$8.26 | \$15.67 |
| SUBTOTAL | | 0.27 HR | \$23.33 | \$2.03 | \$4.99 | \$0.39 | \$8.26 | \$39.00 |

| OVERHEAD EXPENSES | ACCOMPLISHMENT RATE | PURCHASED INPUTS | LABOR | FUEL & LUBE | REPAIRS | FIXED COST | TOTAL |
|----------------------------|---------------------|------------------|---------|-------------|---------|------------|----------|
| DOWNTIME | 0.56 HR | | \$4.22 | | | | \$4.22 |
| EMPLOYEE BENEFITS | | | \$4.73 | | | | \$4.73 |
| INSURANCE | | \$0.47 | | | | | \$0.47 |
| LAND TAXES | | | | | | \$2.71 | \$2.71 |
| SUPERVISION AND MANAGEMENT | | | \$28.63 | | | | \$28.63 |
| OTHER EXPENSES | | \$98.84 | | | | | \$98.84 |
| SUBTOTAL | 0.56 HR | \$99.31 | \$37.57 | | | \$2.71 | \$139.59 |

| | | | | | | | |
|-------------------------------|---------------------|----------|---------|---------|--------|---------|----------|
| TOTAL OPERATING EXPENSES | 5.81 HR | \$225.17 | \$76.94 | \$41.57 | \$3.92 | \$52.99 | \$400.59 |
| NET OPERATING PROFIT | | | | | | | \$211.91 |
| INTEREST ON OPERATING CAPITAL | (\$59.92 @ 7.00%) | | | | | | \$4.19 |
| INTEREST ON EQUIPMENT | | | | | | | \$44.29 |
| RETURN TO LAND AND RISK | | | | | | | \$163.42 |

| BUDGET SUMMARY | |
|-------------------------------|--|
| GROSS RETURN | \$612.50 |
| VARIABLE OPERATING EXPENSES | \$270.66 |
| RETURN OVER VARIABLE EXPENSES | \$341.84 (GROSS MARGIN) |
| FIXED EXPENSES | \$52.99 |
| NET FARM INCOME | \$288.85 (RETURN TO CAPITAL, LABOR, LAND & RISK) |
| LABOR AND MANAGEMENT COST | \$76.94 |
| NET OPERATING PROFIT | \$211.91 (RETURN TO CAPITAL, LAND & RISK) |
| CAPITAL COSTS | \$48.49 |
| RETURN TO LAND AND RISK | \$163.42 |

TABLE 8. Sorghum hay, flood-irrigated, budgeted per acre costs and returns for a 30 acre part-time farm, Valencia and Southern Bernalillo Counties, Projected 2012.
 Planting dates: July 1 - July 31
 Harvesting dates: August 10 - September 30

| ITEM | PRICE | YIELD | | | | | | TOTAL | |
|---------------------------------|------------|---|------------------|-----------------|----------------|----------------|---------------|-----------------|-----------------|
| GROSS RETURNS | | | | | | | | | |
| SORGHUM HAY | \$223.00 | 2.00 | TONS (IN FIELD) | | | | | \$446.00 | |
| GRAZING | \$5.00 | 1.00 | ACRE | | | | | \$5.00 | |
| TOTAL | | | | | | | | \$451.00 | |
| PURCHASED INPUTS | | | | | | | | | |
| PURCHASED INPUTS | PRICE | QUANTITY | PURCHASED INPUTS | | | | FIXED COST | TOTAL | |
| SEED | \$1.97 | 35 | LBS | \$68.95 | | | | \$68.95 | |
| WIRE | \$0.84 | 17 | LBS | \$14.28 | | | | \$14.28 | |
| CANAL WATER | | 24 | AC. IN. | \$28.00 | | | | \$28.00 | |
| SUBTOTAL | | | | \$111.23 | | | | \$111.23 | |
| PREHARVEST OPERATIONS | | | | | | | | | |
| PREHARVEST OPERATIONS | POWER UNIT | ACCOMPLISHMENT RATE | PURCHASED INPUTS | LABOR | FUEL & LUBE | REPAIRS | FIXED COST | TOTAL | |
| DISC | 65 HP | 0.31 | HR | | \$2.33 | \$5.73 | \$0.67 | \$7.91 | |
| DRILL (CUSTOM) | | | | \$7.53 | | | | \$7.53 | |
| IRRIGATE (4X) | | 3.00 | HR | \$22.50 | | | | \$22.50 | |
| SUBTOTAL | | 3.31 | HR | \$7.53 | \$24.83 | \$5.73 | \$0.67 | \$7.91 | \$46.67 |
| HARVEST OPERATIONS | | | | | | | | | |
| SWATHER (CUSTOM) (2X) | | | | \$23.33 | | | | \$23.33 | |
| BALER, PTO (2X) | 65 HP | 0.27 | HR | \$2.03 | \$4.99 | \$0.39 | \$8.26 | \$15.67 | |
| SUBTOTAL | | 0.27 | HR | \$23.33 | \$2.03 | \$4.99 | \$0.39 | \$8.26 | \$39.00 |
| OVERHEAD EXPENSES | | | | | | | | | |
| DOWNTIME | | 0.15 | HR | | \$1.09 | | | \$1.09 | |
| EMPLOYEE BENEFITS | | | | | \$3.22 | | | \$3.22 | |
| INSURANCE | | | | \$0.32 | | | | \$0.32 | |
| LAND TAXES | | | | | | | \$2.71 | \$2.71 | |
| SUPERVISION AND MANAGEMENT | | | | \$21.33 | | | | \$21.33 | |
| OTHER EXPENSES | | | | \$98.84 | | | | \$98.84 | |
| SUBTOTAL | | 0.15 | HR | \$99.16 | \$25.64 | | \$2.71 | \$127.51 | |
| TOTAL OPERATING EXPENSES | | 3.73 | HR | \$241.25 | \$52.49 | \$10.72 | \$1.06 | \$18.88 | \$324.40 |
| NET OPERATING PROFIT | | | | | | | | \$126.60 | |
| INTEREST ON OPERATING CAPITAL | | (| \$59.61 | @ | 7.00% |) | | \$4.17 | |
| INTEREST ON EQUIPMENT | | | | | | | | \$13.49 | |
| RETURN TO LAND AND RISK | | | | | | | | \$108.94 | |
| BUDGET SUMMARY | | | | | | | | | |
| GROSS RETURN | | \$451.00 | | | | | | | |
| VARIABLE OPERATING EXPENSES | \$253.03 | | | | | | | | |
| RETURN OVER VARIABLE EXPENSES | \$197.97 | (GROSS MARGIN) | | | | | | | |
| FIXED EXPENSES | \$18.88 | | | | | | | | |
| NET FARM INCOME | \$179.09 | (RETURN TO CAPITAL, LABOR, LAND & RISK) | | | | | | | |
| LABOR AND MANAGEMENT COST | \$52.49 | | | | | | | | |
| NET OPERATING PROFIT | \$126.60 | (RETURN TO CAPITAL, LAND & RISK) | | | | | | | |
| CAPITAL COSTS | \$17.66 | | | | | | | | |
| RETURN TO LAND AND RISK | \$108.94 | | | | | | | | |

TABLE 9. Green chile, flood-irrigated, budgeted per acre costs and returns for a 30 acre part-time Valencia and Southern Bernalillo Counties,
 Projected 2012.
 Planting dates: April 10 - May 1
 Harvesting dates: August 1 - October 15

| ITEM | PRICE | YIELD | | | | | | TOTAL |
|---------------|--------|--------|--------|---------------------|--|--|--|-------------------|
| GROSS RETURNS | | | | | | | | |
| GREEN CHILE | \$7.50 | 275.00 | BUSHEL | (22 LBS PER BUSHEL) | | | | \$2,062.50 |
| RED CHILE | \$1.50 | 400.00 | LBS | | | | | \$600.00 |
| TOTAL | | | | | | | | \$2,662.50 |

| PURCHASED INPUTS | PRICE | QUANTITY | PURCHASED INPUTS | | FIXED COST | TOTAL |
|------------------------|---------|------------|------------------|--|------------|-----------------|
| CHILE SEED | \$38.00 | 7 LBS | \$266.00 | | | \$266.00 |
| NITROGEN (N) | \$0.89 | 130 LBS | \$115.70 | | | \$115.70 |
| HERBICIDE (GRANULAR) | \$35.06 | 1 X/ACRE | \$35.06 | | | \$35.06 |
| INSECTICIDE (GRANULAR) | \$19.65 | 1 X/ACRE | \$19.65 | | | \$19.65 |
| SACKS | \$0.18 | 375 EACH | \$67.50 | | | \$67.50 |
| CANAL WATER | | 48 AC. IN. | \$28.00 | | | \$28.00 |
| SUBTOTAL | | | \$531.91 | | | \$531.91 |

| PREHARVEST OPERATIONS | POWER UNIT | ACCOMPLISHMENT RATE | PURCHASED INPUTS | LABOR | FUEL & LUBE | REPAIRS | FIXED COST | TOTAL |
|-----------------------|------------|---------------------|------------------|-----------------|----------------|---------------|-----------------|-----------------|
| DISC | 65 HP | 0.31 HR | | \$2.33 | \$5.73 | \$0.67 | \$7.91 | \$16.64 |
| FLOW | 65 HP | 1.31 HR | | \$9.83 | \$24.20 | \$2.10 | \$20.44 | \$56.57 |
| DISC | 65 HP | 0.31 HR | | \$2.33 | \$5.73 | \$0.67 | \$7.91 | \$16.64 |
| LASER PLANE (CUSTOM) | | | \$70.71 | | | | | \$70.71 |
| LISTER | 65 HP | 0.54 HR | | \$4.05 | \$9.98 | \$0.87 | \$25.08 | \$39.97 |
| PLANT/BED SHAPE | | 32.00 HR | | \$240.00 | | | | \$240.00 |
| CULTIVATOR (3X) | 65 HP | 1.62 HR | | \$12.15 | \$29.93 | \$2.60 | \$39.09 | \$83.77 |
| THIN & HOE | | 30.00 HR | | \$225.00 | | | | \$225.00 |
| IRRIGATE (16X) | | 12.00 HR | | \$90.00 | | | | \$90.00 |
| SUBTOTAL | | 78.09 HR | \$70.71 | \$585.68 | \$75.57 | \$6.91 | \$100.44 | \$839.30 |

| HARVEST OPERATIONS | | | | | | | | |
|--------------------|----------|---------------|-----------|-----------------|-----------------|----------------|-----------------|-------------------|
| HARVEST | | 100.00 | HR | \$750.00 | | | | \$750.00 |
| HAUL & SELL | HALF TON | 20.00 | HR | \$150.00 | \$478.80 | \$13.60 | \$104.08 | \$746.48 |
| SUBTOTAL | | 120.00 | HR | \$900.00 | \$478.80 | \$13.60 | \$104.08 | \$1,496.48 |

| OVERHEAD EXPENSES | | | | | | | | |
|----------------------------|--|-------------|-----------|-----------------|-----------------|--------|---------------|-----------------|
| DOWNTIME | | 6.02 | HR | \$45.17 | | | | \$45.17 |
| EMPLOYEE BENEFITS | | | | \$178.28 | | | | \$178.28 |
| INSURANCE | | | | \$17.83 | | | | \$17.83 |
| LAND TAXES | | | | | | \$5.42 | | \$5.42 |
| SUPERVISION AND MANAGEMENT | | | | \$300.10 | | | | \$300.10 |
| OTHER EXPENSES | | | | \$197.68 | | | | \$197.68 |
| SUBTOTAL | | 6.02 | HR | \$215.51 | \$523.54 | | \$5.42 | \$744.47 |

| | | | | | | | | | |
|---------------------------------|---|---------------|-----------|-----------------|-------------------|-----------------|----------------|-----------------|---------------------|
| TOTAL OPERATING EXPENSES | | 204.11 | HR | \$818.12 | \$2,009.22 | \$554.37 | \$20.51 | \$209.93 | \$3,612.15 |
| NET OPERATING PROFIT | | | | | | | | | (\$949.65) |
| INTEREST ON OPERATING CAPITAL | (| \$327.60 | @ | 7.00% |) | | | | \$22.93 |
| INTEREST ON EQUIPMENT | | | | | | | | | \$1,118.42 |
| RETURN TO LAND AND RISK | | | | | | | | | (\$2,090.99) |

| BUDGET SUMMARY | | | |
|-------------------------------|--------------|------------|---|
| GROSS RETURN | | \$2,662.50 | |
| VARIABLE OPERATING EXPENSES | \$1,393.00 | | |
| RETURN OVER VARIABLE EXPENSES | \$1,269.50 | | (GROSS MARGIN) |
| FIXED EXPENSES | \$209.93 | | |
| NET FARM INCOME | \$1,059.57 | | (RETURN TO CAPITAL, LABOR, LAND & RISK) |
| LABOR AND MANAGEMENT COST | \$2,009.22 | | |
| NET OPERATING PROFIT | (\$949.65) | | (RETURN TO CAPITAL, LAND & RISK) |
| CAPITAL COSTS | \$1,141.35 | | |
| RETURN TO LAND AND RISK | (\$2,090.99) | | |

TABLE 10. Jalapenos, flood-irrigated, budgeted per acre costs and returns for a 30 acre, part-time Valencia and Southern Bernalillo Counties, Projected 2012.
 Planting dates: April 10 - May 1
 Harvesting dates: August 1 - October 15

| ITEM | PRICE | YIELD | | | | | | TOTAL |
|---------------|----------|------------|--|--|--|--|--|-------------------|
| GROSS RETURNS | | | | | | | | |
| JALAPENOS | \$300.00 | 11.00 TONS | | | | | | \$3,300.00 |
| TOTAL | | | | | | | | \$3,300.00 |

| PURCHASED INPUTS | PRICE | QUANTITY | PURCHASED INPUTS | | | | FIXED COST | TOTAL |
|------------------------|---------|------------|------------------|--|--|--|------------|-----------------|
| JALAPENO SEED | \$75.00 | 3 LBS | \$225.00 | | | | | \$225.00 |
| NITROGEN (N) | \$0.89 | 150 LBS | \$133.50 | | | | | \$133.50 |
| PHOSPHATE (P205) | \$0.75 | 75 LBS | \$56.25 | | | | | \$56.25 |
| HERBICIDE (GRANULAR) | \$35.06 | 1 X/ACRE | \$35.06 | | | | | \$35.06 |
| INSECTICIDE (GRANULAR) | \$19.65 | 1 X/ACRE | \$19.65 | | | | | \$19.65 |
| SACKS | \$1.00 | 10 EACH | \$10.00 | | | | | \$10.00 |
| CANAL WATER | | 48 AC. IN. | \$28.00 | | | | | \$28.00 |
| SUBTOTAL | | | \$507.46 | | | | | \$507.46 |

| PREHARVEST OPERATIONS | POWER UNIT | ACCOMPLISHMENT RATE | PURCHASED INPUTS | LABOR | FUEL & LUBE | REPAIRS | FIXED COST | TOTAL |
|-----------------------|------------|---------------------|------------------|-----------------|-----------------|---------------|-----------------|-----------------|
| DISC | 65 HP | 0.31 HR | | \$2.33 | \$5.73 | \$0.67 | \$7.91 | \$16.64 |
| FLOW | 65 HP | 1.31 HR | | \$9.83 | \$24.20 | \$2.10 | \$20.44 | \$56.57 |
| DISC | 65 HP | 0.31 HR | | \$2.33 | \$5.73 | \$0.67 | \$7.91 | \$16.64 |
| LASER PLANE (CUSTOM) | | | \$70.71 | | | | | \$70.71 |
| LISTER | 65 HP | 0.54 HR | | \$4.05 | \$9.98 | \$0.87 | \$25.08 | \$39.97 |
| PLANT/BED SHAPE | 65 HP | 2.00 HR | | \$15.00 | \$36.95 | \$2.73 | \$57.64 | \$112.32 |
| CULTIVATOR (3X) | 65 HP | 1.62 HR | | \$12.15 | \$29.93 | \$2.60 | \$39.09 | \$83.77 |
| THIN & HOE | | 25.00 HR | | \$187.50 | | | | \$187.50 |
| IRRIGATE (16X) | | 12.00 HR | | \$90.00 | | | | \$90.00 |
| SUBTOTAL | | 43.09 HR | \$70.71 | \$323.18 | \$112.52 | \$9.64 | \$158.08 | \$674.12 |

| HARVEST OPERATIONS | | | | | | | | |
|--------------------|----------|----------------|--|-------------------|----------------|---------------|----------------|-------------------|
| HARVEST (CUSTOM) | | | | \$1,980.00 | | | | \$1,980.00 |
| HAUL & SELL | HALF TON | 3.00 HR | | \$22.50 | \$71.82 | \$2.04 | \$15.61 | \$111.97 |
| SUBTOTAL | | 3.00 HR | | \$2,002.50 | \$71.82 | \$2.04 | \$15.61 | \$2,091.97 |

| OVERHEAD EXPENSES | | | | | | | | |
|----------------------------|--|----------------|-----------------|-----------------|--|---------------|--|-----------------|
| DOWNTIME | | 1.77 HR | | \$13.29 | | | | \$13.29 |
| EMPLOYEE BENEFITS | | | | \$279.08 | | | | \$279.08 |
| INSURANCE | | | \$27.91 | | | | | \$27.91 |
| LAND TAXES | | | | | | \$5.42 | | \$5.42 |
| SUPERVISION AND MANAGEMENT | | | | \$444.96 | | | | \$444.96 |
| OTHER EXPENSES | | | \$197.68 | | | | | \$197.68 |
| SUBTOTAL | | 1.77 HR | \$225.59 | \$737.34 | | \$5.42 | | \$968.34 |

| | | | | | | | | |
|---------------------------------|--|-----------------|-----------------|-------------------|-----------------|----------------|-----------------|-------------------|
| TOTAL OPERATING EXPENSES | | 47.86 HR | \$803.75 | \$3,063.01 | \$184.34 | \$11.68 | \$179.10 | \$4,241.88 |
| NET OPERATING PROFIT | | | | | | | | (\$941.88) |
| INTEREST ON OPERATING CAPITAL | | (\$290.42 @ | 7.00% |) | | | | \$20.33 |
| INTEREST ON EQUIPMENT | | | | | | | | \$249.35 |
| RETURN TO LAND AND RISK | | | | | | | | -1,211.56 |

| BUDGET SUMMARY | | |
|-------------------------------|--------------|---|
| GROSS RETURN | \$3,300.00 | |
| VARIABLE OPERATING EXPENSES | \$999.77 | |
| RETURN OVER VARIABLE EXPENSES | \$2,300.23 | (GROSS MARGIN) |
| FIXED EXPENSES | \$179.10 | |
| NET FARM INCOME | \$2,121.13 | (RETURN TO CAPITAL, LABOR, LAND & RISK) |
| LABOR AND MANAGEMENT COST | \$3,063.01 | |
| NET OPERATING PROFIT | (\$941.88) | (RETURN TO CAPITAL, LAND & RISK) |
| CAPITAL COSTS | \$269.68 | |
| RETURN TO LAND AND RISK | (\$1,211.56) | |

TABLE 11. Summary of per acre costs and returns for a 30 acre part-time farm, Valencia and Southern Bernalillo Counties, Projected 2012.

| | ALFALFA ESTABLISHMENT | ALFALFA HAY | SMALL GRAIN HAY | SORGHUM HAY | GREEN CHILE | JALAPENOS |
|----------------------------------|--------------------------|----------------|--------------------|----------------|----------------|--------------|
| | | TONS | TONS | TONS | BU/LB | TONS |
| PRIMARY YIELD | | 4.00 | 2.50 | 2.00 | 275.00 | 11.00 |
| PRIMARY PRICE | | \$255.00 | \$245.00 | \$223.00 | \$7.50 | \$300.00 |
| GOVERNMENT PAYMENTS | | \$0.00 | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| SECOND INCOME | | \$10.00 | \$0.00 | \$5.00 | \$600.00 | \$0.00 |
| GROSS RETURN | | \$1,030.00 | \$612.50 | \$451.00 | \$2,662.50 | \$3,300.00 |
| CASH OPERATING EXPENSES | | | | | | |
| SEED | \$130.00 | | \$46.00 | \$68.95 | \$266.00 | \$225.00 |
| FERTILIZER | | \$67.50 | | | \$115.70 | \$189.75 |
| CHEMICALS | | | | | \$54.71 | \$54.71 |
| CROP INSURANCE | | | | | | |
| OTHER PURCHASED INPUTS | | \$25.20 | \$21.00 | \$14.28 | \$67.50 | \$10.00 |
| CANAL WATER | | \$28.00 | \$28.00 | \$28.00 | \$28.00 | \$28.00 |
| FUEL, OIL & LUBRICANTS-EQUIPMENT | \$36.58 | \$19.95 | \$41.57 | \$10.72 | \$554.37 | \$184.34 |
| FUEL-IRRIGATION | | | | | | |
| REPAIRS | \$3.52 | \$1.56 | \$3.92 | \$1.06 | \$20.51 | \$11.68 |
| CUSTOM CHARGES | \$103.21 | \$23.33 | \$30.86 | \$30.86 | \$70.71 | \$70.71 |
| LAND TAXES | | \$5.42 | \$2.71 | \$2.71 | \$5.42 | \$5.42 |
| OTHER EXPENSES | \$0.31 | \$197.78 | \$99.31 | \$99.16 | \$215.51 | \$225.59 |
| TOTAL CASH EXPENSES | \$273.63 | \$368.74 | \$273.37 | \$255.74 | \$1,398.41 | \$1,005.19 |
| RETURN OVER CASH EXPENSES | (\$273.63) | \$661.26 | \$339.13 | \$195.26 | \$1,264.09 | \$2,294.81 |
| FIXED EXPENSES | \$42.02 | \$107.75 | \$50.28 | \$16.18 | \$204.52 | \$173.69 |
| TOTAL EXPENSES | \$315.65 | \$476.50 | \$323.65 | \$271.91 | \$1,602.93 | \$1,178.87 |
| NET FARM INCOME | (\$315.65) | \$553.50 | \$288.85 | \$179.09 | \$1,059.57 | \$2,121.13 |
| LABOR AND MANAGEMENT COSTS | \$49.09 | \$103.84 | \$76.94 | \$52.49 | \$2,009.22 | \$3,063.01 |
| NET OPERATING PROFIT | (\$364.74) | \$449.67 | \$211.91 | \$126.60 | (\$949.65) | (\$941.88) |
| CAPITAL COSTS | | | | | | |
| INTEREST ON OPERATING CAPITAL | | \$4.49 | \$4.19 | \$4.17 | \$22.93 | \$20.33 |
| INTEREST ON EQUIPMENT INVESTMENT | | \$28.01 | \$44.29 | \$13.49 | \$1,118.42 | \$249.35 |
| TOTAL CAPITAL COSTS | \$0.00 | \$32.49 | \$48.49 | \$17.66 | \$1,141.35 | \$269.68 |
| RETURN TO LAND AND RISK | (\$364.74) | \$417.18 | \$163.42 | \$108.94 | (\$2,090.99) | (\$1,211.56) |

TABLE 12. Whole farm summary, Valencia and Southern Bernalillo Counties,
Projected 2012.

| | | |
|----------------------------------|-------------|-----------------|
| GROSS RETURNS | | |
| ALFALFA HAY | 20.00 ACRES | |
| CROP | | \$20,400 |
| GRAZING | | \$200 |
| SMALL GRAIN HAY | 5.00 ACRES | |
| CROP | | \$3,063 |
| SORGHUM HAY | 5.00 ACRES | |
| CROP | | \$2,230 |
| GRAZING | | \$25 |
| GREEN CHILE | 1.00 ACRES | |
| GREEN | | \$2,063 |
| RED | | \$600 |
| JALPENOS | 1.00 ACRES | |
| CROP | | \$3,300 |
| GROSS RETURN | | <u>\$31,880</u> |
| CASH OPERATING EXPENSES | | |
| SEED | | \$1,521 |
| FERTILIZER | | \$1,655 |
| CHEMICALS | | \$109 |
| CROP INSURANCE | | \$0 |
| OTHER PURCHASED INPUTS | | \$758 |
| CANAL WATER | | \$896 |
| FUEL, OIL & LUBRICANTS-EQUIPMENT | | \$1,527 |
| FUEL-IRRIGATION | | \$0 |
| REPAIRS | | \$101 |
| CUSTOM CHARGES | | \$1,278 |
| LAND TAXES | | \$146 |
| OTHER EXPENSES | | \$5,390 |
| TOTAL CASH EXPENSES | | <u>\$13,382</u> |
| RETURN OVER CASH EXPENSES | | \$18,498 |
| FIXED EXPENSES | | \$1,797 |
| TOTAL EXPENSES | | \$15,178 |
| NET FARM INCOME | | \$16,702 |
| LABOR AND MANAGEMENT COSTS | | \$7,968 |
| NET OPERATING PROFIT | | \$8,734 |
| CAPITAL COSTS | | |
| INTEREST ON OPERATING CAPITAL | | \$175 |
| INTEREST ON EQUIPMENT INVESTMENT | | \$2,217 |
| TOTAL CAPITAL COSTS | | <u>\$2,392</u> |
| RETURN TO LAND AND RISK | | <u>\$6,342</u> |

| LAND VALUE | RETURN TO RISK* | RETURN ON INVESTMENT** |
|----------------|-----------------|------------------------|
| \$5,000 /ACRE | \$1,842 | 4.98% |
| \$6,500 /ACRE | \$492 | 3.96% |
| \$8,000 /ACRE | (\$858) | 3.29% |
| \$9,500 /ACRE | (\$2,208) | 2.81% |
| \$11,000 /ACRE | (\$3,558) | 2.46% |
| \$12,500 /ACRE | (\$4,908) | 2.18% |

* 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)