

TABLE 1. Acreage Summary, Quay County,  
Projected 2019

BUDGET AREA.....	SAN JON-NARA VISA AREA, QUAY COUNTY	
FARM SIZE.....	800 ACRES	
IRRIGATION TYPE.....	DRYLAND	
NUMBER OF CROPS.....	3..	
<hr/>		
ACREAGE SUMMARY:	LAND USE	(ACRES)
ALFALFA ESTABLISHMENT	6.00 *	
ALFALFA	60.00	
GRAIN SORGHUM	289.00	
ARP	0.00	
FLEX IN GRAIN SORGHUM	51.00	
WHEAT	340.00	
ARP	0.00	
FLEX IN GRAIN SORGHUM	60.00	
	<hr/>	
TOTAL	800.00	

\* DOUBLE-CROPPED

TABLE 2. Basic cost information for the San Jon-Nara Visa area, Quay County,  
Projected 2019

<hr/>			
Item			
<hr/>			
Labor Wage Rate:			
Equipment operators		\$/hour	\$8.55
General & Irrigators		\$/hour	\$7.50
Purchased Inputs:			
Seed:			
Alfalfa		\$/pound	\$3.05
Grain Sorghum		\$/pound	\$2.05
Wheat		\$/pound	\$0.40
Energy:			
Diesel fuel		\$/gallon	\$2.65
Gasoline		\$/gallon	\$2.35
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	5.50%
Land Interest Rate		percent	5.00%
Equipment Interest Rate		percent	5.50%
Real Interest Rate		percent	3.00%
Land Taxes	\$38.00	/acre (full value)	\$0.42
Personal Property Tax Rate	-NR	\$/ \$1,000 (Assessed Value)	\$33.45
	- R		\$27.81
Supervision Factor		\$/labor hour	\$1.00
Management Rate		percent	7.00%
<hr/>			

TABLE 3. Overhead cost information for the San Jon-Nara Visa area, Quay County,  
Projected 2019

<hr/>				
Item				
<hr/>				
Electricity (Domestic & Shop)			\$236.80 per month	\$2,842
Telephone			\$140.80 per month	\$1,690
Accounting & Legal				\$1,619
Misc. Supplies & Hand Tools				\$2,362
Pickup and Auto				
miles	26,368	@	\$0.500 per mile	\$13,184
Insurance				
- general liability (non-employee)				\$1,542
- fire/theft				\$1,299
Property Taxes				
- non-planted land				\$0
- other than land & machinery				\$0
Building repairs and maintenance				\$6,010
Dues, fees, publications				\$1,024
Farmstead Equipment				\$486
			Total	<hr/>
				\$32,058
			Total per planted acre	<hr/>
				\$40.07
<hr/>				

TABLE 5. Alfalfa establishment, dryland, budgeted per acre costs and returns for an 800 acre farm with above average management, San Jon-Nara Visa area, Quay County, Projected 2019  
Planting dates: August 1 - August 31

ITEM	PRICE	QUANTITY	PURCHASED INPUTS					TOTAL
<b>PURCHASED INPUTS</b>								
ALFALFA SEED	\$3.05	10 LBS		\$30.50				\$30.50
WHEAT SEED	\$0.40	30 LBS		\$12.00				\$12.00
SUBTOTAL				\$42.50				\$42.50
<b>PREHARVEST OPERATIONS</b>								
	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
SWEEP	145 HP	0.10 HR		\$0.86	\$2.38	\$0.84	\$3.79	\$7.87
RODWEEDER	96 HP	0.08 HR		\$0.68	\$1.29	\$0.13	\$0.25	\$2.36
DRILL WHEAT	96 HP	0.09 HR		\$0.77	\$1.45	\$0.17	\$1.50	\$3.90
FLY ON ALFALFA SEED			\$4.50					\$4.50
SUBTOTAL		0.27 HR	\$4.50	\$2.31	\$5.12	\$1.15	\$5.54	\$18.62
<b>OVERHEAD EXPENSES</b>								
DOWNTIME		0.07 HR		\$0.58				\$0.58
EMPLOYEE BENEFITS				\$0.42				\$0.42
INSURANCE			\$0.05					\$0.05
SUPERVISION AND MANAGEMENT				\$4.62				\$4.62
SUBTOTAL		0.07 HR	\$0.05	\$5.61				\$5.65
<b>TOTAL OPERATING EXPENSES</b>		0.34 HR	\$47.05	\$7.92	\$5.12	\$1.15	\$5.54	\$66.78

TABLE 6. Alfalfa hay, dryland, budgeted per acre costs and returns for an 800 acre farm with above average management, San Jon-Nara Visa area, Quay County, Projected 2019  
Harvesting dates: June 15 - October 1

ITEM	PRICE	YIELD						TOTAL	
<b>GROSS RETURNS</b>									
ALFALF/ FA HAY	\$175.00	1.50 TONS (IN FIELD)						\$262.50	
GRAZING	\$12.00	1.00 ACRE						\$12.00	
<b>TOTAL</b>								<b>\$274.50</b>	
<b>PURCHASED INPUTS</b>									
	PRICE	QUANTITY	PURCHASED INPUTS				FIXED COST	TOTAL	
WIRE	\$2.60	13 LBS	\$33.42					\$33.42	
ESTABLISHMENT: Principal		6 YEARS					\$11.13	\$11.13	
: Interest							\$2.05	\$2.05	
<b>SUBTOTAL</b>			<b>\$33.42</b>				<b>\$13.18</b>	<b>\$46.60</b>	
<b>HARVEST OPERATIONS</b>									
	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL	
SWATHER (3X)	14 FT SP	0.48 HR		\$4.10	\$4.76	\$0.26	\$25.47	\$34.60	
BALER (3X)	96 HP	0.63 HR		\$5.39	\$10.17	\$0.64	\$4.10	\$20.30	
<b>SUBTOTAL</b>		<b>1.11 HR</b>		<b>\$9.49</b>	<b>\$14.93</b>	<b>\$0.91</b>	<b>\$29.57</b>	<b>\$54.90</b>	
<b>OVERHEAD EXPENSES</b>									
DOWNTIME		0.28 HR		\$2.37				\$2.37	
EMPLOYEE BENEFITS				\$1.71				\$1.71	
INSURANCE			\$0.19					\$0.19	
LAND TAXES								\$0.42	
SUPERVISION AND MANAGEMENT				\$20.33				\$20.33	
OTHER EXPENSES			\$40.07					\$40.07	
<b>SUBTOTAL</b>		<b>0.28 HR</b>	<b>\$40.26</b>	<b>\$24.41</b>				<b>\$0.42</b>	<b>\$65.09</b>
<b>TOTAL OPERATING EXPENSES</b>		<b>1.39 HR</b>	<b>\$73.69</b>	<b>\$33.90</b>	<b>\$14.93</b>	<b>\$0.91</b>	<b>\$43.18</b>	<b>\$166.60</b>	
<b>NET OPERATING PROFIT</b>								<b>\$107.90</b>	
INTEREST ON OPERATING CAPITAL		(	\$18.03	@	5.50%	)			
INTEREST ON EQUIPMENT INVESTMENT								\$0.99	
INTEREST ON EQUIPMENT INVESTMENT								\$16.98	
<b>RETURN TO LAND AND RISK</b>								<b>\$89.93</b>	
<b>BUDGET SUMMARY</b>									
GROSS RETURN		\$274.50							
VARIABLE OPERATING EXPENSES	\$89.52								
RETURN OVER VARIABLE EXPENSES	\$184.98	(GROSS MARGIN)							
FIXED EXPENSES	\$43.18								
NET FARM INCOME	\$141.80	(RETURN TO CAPITAL, LABOR, LAND & RISK)							
LABOR AND MANAGEMENT COST	\$33.90								
NET OPERATING PROFIT	\$107.90	(RETURN TO CAPITAL, LAND & RISK)							
CAPITAL COSTS	\$17.98								
RETURN TO LAND AND RISK		\$89.93							

TABLE 7. Grain sorghum, dryland, budgeted per acre costs and returns for an 800 acre farm with above average management, San Jon-Nara Visa area, Quay County, Projected 2019  
 Planting dates: June 1 - July 4  
 Harvesting dates: October 5 - November 15

ITEM	PRICE	YIELD	BASE	TOTAL
<b>GROSS RETURNS</b>				
GRAIN SORGHUM	\$6.33	16.00 CWT		\$101.20
PROGRAM PAYMENT	\$0.00	16.00 CWT	0.85	\$0.00
PLC PAYMENT	\$0.00	0.00 CWT		\$0.00
GRAZING	\$16.00	1.00 ACRE		\$16.00
<b>TOTAL</b>				<b>\$117.20</b>

PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS	FIXED COST	TOTAL
SEED	\$2.05	3 LBS	\$5.13		\$5.13
HERBICIDE (CUSTOM)	\$15.07	1 ACRE	\$15.07		\$15.07
CROP INSURANCE	\$0.13		\$0.13		\$0.13
<b>SUBTOTAL</b>			<b>\$20.32</b>		<b>\$20.32</b>

PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
SWEEP	145 HP	0.10 HR		\$0.86	\$2.38	\$0.84	\$3.79	\$7.87
ROD WEED	96 HP	0.08 HR		\$0.68	\$1.29	\$0.13	\$0.25	\$2.36
LISTER/PLANTER	96 HP	0.18 HR		\$1.54	\$2.90	\$0.46	\$2.17	\$7.07
CULTIVATOR (2X)	96 HP	0.26 HR		\$2.22	\$4.20	\$0.88	\$1.27	\$8.57
<b>SUBTOTAL</b>		<b>0.62 HR</b>		<b>\$5.30</b>	<b>\$10.77</b>	<b>\$2.31</b>	<b>\$7.48</b>	<b>\$25.86</b>

HARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
COMBINE	22 FT	0.14 HR		\$1.20	\$3.10	\$0.36	\$11.78	\$16.43
HAUL	2 TON	0.14 HR		\$1.20	\$2.36	\$0.90	\$6.56	\$11.02
<b>SUBTOTAL</b>		<b>0.28 HR</b>		<b>\$2.39</b>	<b>\$5.46</b>	<b>\$1.26</b>	<b>\$18.34</b>	<b>\$27.45</b>

OVERHEAD EXPENSES	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
DOWNTIME	0.23 HR		\$1.92				\$1.92
EMPLOYEE BENEFITS			\$1.73				\$1.73
INSURANCE		\$0.15					\$0.15
LAND TAXES						\$0.42	\$0.42
SUPERVISION AND MANAGEMENT			\$9.10				\$9.10
OTHER EXPENSES		\$40.07					\$40.07
<b>SUBTOTAL</b>	<b>0.23 HR</b>	<b>\$40.23</b>	<b>\$12.76</b>			<b>\$0.42</b>	<b>\$53.41</b>

TOTAL OPERATING EXPENSES 1.35 HR \$45.35 \$20.45 \$16.22 \$3.57 \$26.25 \$111.85

NET OPERATING PROFIT \$5.35

INTEREST ON OPERATING CAPITAL ( \$13.99 @ 5.50% ) \$0.77  
 INTEREST ON EQUIPMENT INVESTMENT \$9.45

RETURN TO LAND AND RISK (\$4.87)

BUDGET SUMMARY

GROSS RETURN		\$117.20	
VARIABLE OPERATING EXPENSES	\$65.15		
RETURN OVER VARIABLE EXPENSES	\$52.05		(GROSS MARGIN)
FIXED EXPENSES	\$26.25		
NET FARM INCOME	\$25.80		(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$20.45		
NET OPERATING PROFIT	\$5.35		(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$10.22		
RETURN TO LAND AND RISK		(\$4.87)	

TABLE 8. Wheat, dryland, budgeted per acre costs and returns for an 800 acre farm with above average management, San Jon-Nara Visa area, Quay County, Projected 2019  
 Planting dates: September 1 - September 15  
 Harvesting dates: June 15 - July 15

ITEM	PRICE	YIELD	BASE					TOTAL
<b>GROSS RETURNS</b>								
WHEAT	\$5.10	14.00 BUSHELS						\$71.40
PROGRAM PAYMENT	\$0.00	14.00 BUSHELS	0.85					\$0.00
PLC PAYMENT	\$0.00							\$0.00
GRAZING	\$20.00	1.00 ACRE						\$20.00
<b>TOTAL</b>								<b>\$91.40</b>
<b>PURCHASED INPUTS</b>								
	PRICE	QUANTITY	PURCHASED INPUTS					TOTAL
SEED	\$0.40	25 LBS	\$10.00					\$10.00
CROP INSURANCE	\$0.15		\$0.15					\$0.15
<b>SUBTOTAL</b>			<b>\$10.15</b>					<b>\$10.15</b>
<b>PREHARVEST OPERATIONS</b>								
	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
SWEEP (2X)	145 HP	0.26 HR		\$2.22	\$6.18	\$2.20	\$9.86	\$20.45
RODWEED	145 HP	0.16 HR		\$1.37	\$3.80	\$0.98	\$5.78	\$11.93
DRILL	96 HP	0.09 HR		\$0.77	\$1.45	\$0.17	\$1.50	\$3.90
<b>SUBTOTAL</b>		<b>0.51 HR</b>		<b>\$4.36</b>	<b>\$11.43</b>	<b>\$3.35</b>	<b>\$17.14</b>	<b>\$36.28</b>
<b>HARVEST OPERATIONS</b>								
COMBINE	22 FT	0.14 HR		\$1.20	\$3.10	\$0.36	\$12.49	\$17.15
HAUL	2 TON	0.14 HR		\$1.20	\$2.36	\$0.90	\$6.56	\$11.02
<b>SUBTOTAL</b>		<b>0.28 HR</b>		<b>\$2.39</b>	<b>\$5.46</b>	<b>\$1.26</b>	<b>\$19.06</b>	<b>\$28.16</b>
<b>OVERHEAD EXPENSES</b>								
DOWNTIME		0.20 HR		\$0.74				\$0.74
EMPLOYEE BENEFITS				\$1.01				\$1.01
INSURANCE			\$0.14					\$0.14
LAND TAXES						\$0.42		\$0.42
SUPERVISION AND MANAGEMENT				\$4.57				\$4.57
OTHER EXPENSES			\$40.07					\$40.07
<b>SUBTOTAL</b>		<b>0.20 HR</b>	<b>\$40.21</b>	<b>\$6.32</b>		<b>\$0.42</b>		<b>\$46.95</b>
<b>TOTAL OPERATING EXPENSES</b>		<b>0.99 HR</b>	<b>\$50.21</b>	<b>\$13.08</b>	<b>\$16.89</b>	<b>\$4.61</b>	<b>\$36.62</b>	<b>\$121.40</b>
<b>NET OPERATING PROFIT</b>								<b>(\$30.00)</b>
INTEREST ON OPERATING CAPITAL		( \$9.33 @	5.50%	)				\$0.51
INTEREST ON EQUIPMENT INVESTMENT								\$12.89
<b>RETURN TO LAND AND RISK</b>								<b>(\$43.41)</b>

BUDGET SUMMARY			
GROSS RETURN		\$91.40	
VARIABLE OPERATING EXPENSES	\$71.70		
RETURN OVER VARIABLE EXPENSES		\$19.70	(GROSS MARGIN)
FIXED EXPENSES	\$36.62		
NET FARM INCOME		(\$16.92)	(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$13.08		
NET OPERATING PROFIT		(\$30.00)	(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$13.41		
<b>RETURN TO LAND AND RISK</b>		<b>(\$43.41)</b>	

TABLE 9. Summary of per acre costs and returns for an 800 acre farm, San Jon-Nara Visa area, Quay County,  
Projected 2019

	ALFALFA ESTABLISHMENT	ALFALFA HAY	GRAIN SORGHUM	WHEAT
		TONS	CWT	BU
PRIMARY YIELD		1.50	16.00	14.00
PRIMARY PRICE		\$175.00	\$6.33	\$5.10
GOVERNMENT PAYMENTS		\$0.00	\$0.00	\$0.00
SECOND INCOME		\$12.00	\$16.00	\$20.00
GROSS RETURN		\$274.50	\$117.20	\$91.40
CASH OPERATING EXPENSES				
SEED	\$30.50		\$5.13	\$10.00
FERTILIZER	\$12.00			
CHEMICALS				
CROP INSURANCE			\$0.13	\$0.15
OTHER PURCHASED INPUTS	\$0.05	\$33.61	\$0.15	\$0.14
CANAL WATER				
FUEL, OIL & LUBRICANTS-EQUIPMENT	\$5.12	\$14.93	\$16.22	\$16.89
FUEL-IRRIGATION				
REPAIRS	\$1.15	\$0.91	\$3.57	\$4.61
CUSTOM CHARGES	\$4.50	\$0.00		
LAND TAXES		\$0.42	\$0.42	\$0.42
OTHER EXPENSES		\$40.07	\$40.07	\$40.07
TOTAL CASH EXPENSES	\$53.32	\$89.94	\$65.70	\$72.28
RETURN OVER CASH EXPENSES	(\$53.32)	\$184.56	\$51.50	\$19.12
FIXED EXPENSES	\$5.54	\$42.76	\$25.83	\$36.20
TOTAL EXPENSES	\$58.86	\$132.70	\$91.52	\$108.47
NET FARM INCOME	(\$58.86)	\$141.80	\$25.68	(\$17.07)
LABOR AND MANAGEMENT COSTS	\$7.92	\$33.90	\$20.45	\$13.08
NET OPERATING PROFIT	(\$66.78)	\$107.90	\$5.22	(\$30.15)
CAPITAL COSTS				
INTEREST ON OPERATING CAPITAL		\$0.99	\$0.77	\$0.51
INTEREST ON EQUIPMENT INVESTMENT		\$16.98	\$9.45	\$12.89
TOTAL CAPITAL COSTS	\$0.00	\$17.98	\$10.22	\$13.41
RETURN TO LAND AND RISK	(\$66.78)	\$89.93	(\$5.00)	(\$43.55)