

TABLE 1. Acreage Summary, Torrance and Santa Fe Counties, Projected 2013.

BUDGET AREA.....ESTANCIA BASIN, TORRANCE AND SANTA FE COUNTIES			
FARM SIZE..... 160 ACRES			
IRRIGATION TYPE.....FLOOD			
NUMBER OF CROPS.....3....			
WATER USE			
ACREAGE SUMMARY:	LAND USE (ACRES)	AC.IN. PER AC.	TOTAL AC.IN.
ALFALFA ESTABLISHMENT	8.00 *	6	48
ALFALFA	40.00	42	1,680
CORN FOR GRAIN	51.00	36	1,836
ARP	0.00		
FLEX IN PINTO BEANS	9.00	36	324
PINTO BEANS	50.00	18	900
IDLE, ROADS, HOMESTEAD	10.00		
TOTAL	160.00		4,788
ACRE FEET PER ACRE OF WATER RIGHTS			2.49

* DOUBLE-CROPPED

TABLE 2. Basic cost information for the Estancia Basin, Projected 2013.

Item			
Labor Wage Rate:			
Equipment operators	\$/hour		\$7.80
General & Irrigators	\$/hour		\$7.50
Purchased Inputs:			
Fertilizer:			
Anhydrous Ammonia (NH3)	\$/ton		\$830.00
Nitrogen (N)	\$/pound		\$0.61
Phosphate (P205)	\$/pound		\$0.60
Seed:			
Alfalfa	\$/pound		\$6.50
Corn	\$/bag		\$242.80
Pinto Beans	\$/pound		\$35.00
Natural gas	\$/MCF		\$4.01
(service charge)	\$/month		\$10.00
Diesel fuel	\$/gallon		\$3.00
Gasoline	\$/gallon		\$3.80
Electricity	cents/KwHr		8.87
LP Gas	\$/Gal		\$3.05
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		5.00%
Land Interest Rate	percent		5.00%
Equipment Interest Rate	percent		5.00%
Real Interest Rate	percent		3.00%
Land Taxes	\$100.00 /acre (full value)		\$1.04
Personal Property Tax Rate	- NR	\$/ \$1,000 (Assessed Value)	\$31.32
	- R		\$25.17
Supervision Factors			
Field Crop-Irrigation	\$/labor hour		\$1.00
Field Crop-Equipment & General	\$/labor hour		\$0.50
Management Rate	percent		4.00%

TABLE 3. Overhead cost information for the Estancia Basin, Projected 2013.

Item			
Electricity (Domestic & Shop)		\$127.05 per month	\$1,525
Telephone		\$90.75 per month	\$1,089
Accounting & Legal			\$538
Misc. Supplies & Hand Tools			\$895
Pickup and Auto			
miles	12,463	@ \$0.500 per mile	\$6,232
Insurance			
- general liability (non-employee)			\$1,162
- fire/theft			\$768
Property Taxes			
- non-planted land			\$0
- other than land & machinery			\$6,010
Building repairs and maintenance			\$581
Dues, fees, publications			\$296
Farmstead Equipment			\$182
Total			\$19,278
Total Per Planted Acre			\$128.52

TABLE 6. Alfalfa establishment, flood-irrigated, budgeted per acre costs and returns for a 160 acre part-time farm, Estancia Basin, Projected 2013.
Planting dates: August 1 - September 15

ITEM	PRICE	QUANTITY	PURCHASED INPUTS					TOTAL
<u>PURCHASED INPUTS</u>								
SEED	\$6.50	20 LBS	\$130.00					\$130.00
PUMP WATER*		6 AC. IN.						
SUBTOTAL			\$130.00					\$130.00
<u>PREHARVEST OPERATIONS</u>								
	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
DISC (2X)	96 HP	0.34 HR		\$2.65	\$6.21	\$2.60	\$9.23	\$20.69
CHISEL	96 HP	0.20 HR		\$1.56	\$3.65	\$0.49	\$3.79	\$9.49
FLOAT	65 HP	0.19 HR		\$1.48	\$3.51	\$0.25	\$8.32	\$13.56
LISTER	96 HP	0.18 HR		\$1.40	\$3.29	\$0.53	\$2.72	\$7.94
FERT SPREADER	65 HP	0.05 HR		\$0.39	\$0.92	\$0.06	\$0.30	\$1.68
DRILL	65 HP	0.21 HR		\$1.64	\$3.88	\$0.49	\$59.12	\$65.13
IRRIGATE		0.75 HR		\$5.63	\$10.13	\$0.00	\$1.18	\$16.93
SUBTOTAL		1.92 HR		\$14.75	\$31.59	\$4.42	\$84.66	\$135.42
<u>OVERHEAD EXPENSES</u>								
DOWNTIME		0.48 HR		\$3.74				\$3.74
EMPLOYEE BENEFITS				\$1.77				\$1.77
INSURANCE			\$0.18				\$0.18	
SUPERVISION AND MANAGEMENT				\$11.95				\$11.95
SUBTOTAL		0.48 HR	\$0.18	\$17.47				\$17.64
<u>TOTAL OPERATING EXPENSES</u>		2.40 HR	\$130.18	\$32.22	\$31.59	\$4.42	\$84.66	\$283.06

TABLE 7. Alfalfa hay, flood-irrigated, budgeted per acre costs and returns for a 160 acre part-time farm, Estancia Basin, Projected 2013.
Harvesting dates: June 15 - October 15

ITEM	PRICE	YIELD							TOTAL
GROSS RETURNS									
ALFALFA HAY	\$235.00	4.00 TONS (IN FIELD)							\$940.00
GRAZING	\$10.00	1.00 ACRE							\$10.00
TOTAL								\$950.00	
PURCHASED INPUTS									
	PRICE	QUANTITY	PURCHASED INPUTS					FIXED COST	TOTAL
NITROGEN (N)	\$0.61	22 LBS	\$13.42						\$13.42
PHOSHPATE (P205)	\$0.60	123 LBS	\$73.80						\$73.80
INSECTICIDE (CUSTOM)	\$23.14	1 ACRE	\$23.14						\$23.14
LIVESTOCK FAC & EQUIP WIRE	\$0.37	34 LBS	\$12.74					\$5.00	\$5.00
ESTABLISHMENT: Principal		5 YEARS						\$56.61	\$56.61
: Interest								\$6.15	\$6.15
PUMP WATER*		42 AC. IN.							
SUBTOTAL			\$123.10					\$67.76	\$190.86
PREHARVEST OPERATIONS									
	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL	
FERT SPREADER	65 HP	0.05 HR		\$0.39	\$0.92	\$0.06	\$0.30	\$1.68	
IRRIGATE (7X)		3.50 HR		\$26.25	\$70.88	\$0.00	\$8.27	\$105.41	
SUBTOTAL		3.55 HR		\$26.64	\$71.81	\$0.06	\$8.57	\$107.08	
HARVEST OPERATIONS									
SWATHER (3X)	96 HP	0.48 HR		\$3.74	\$8.77	\$0.59	\$21.39	\$34.49	
BALER (3X)	96 HP	0.63 HR		\$4.91	\$11.51	\$0.69	\$13.34	\$30.46	
SUBTOTAL		1.11 HR		\$8.66	\$20.28	\$1.28	\$34.73	\$64.95	
OVERHEAD EXPENSES									
DOWNTIME		0.29 HR		\$2.26				\$2.26	
EMPLOYEE BENEFITS				\$4.24				\$4.24	
INSURANCE				\$0.42				\$0.42	
LAND TAXES							\$1.04	\$1.04	
SUPERVISION AND MANAGEMENT				\$42.08				\$42.08	
OTHER EXPENSES				\$128.52				\$128.52	
SUBTOTAL		0.29 HR		\$128.94	\$48.58		\$1.04	\$178.56	
TOTAL OPERATING EXPENSES		4.95 HR		\$252.04	\$83.88	\$92.09	\$1.34	\$112.11	\$541.45
NET OPERATING PROFIT								\$408.55	
INTEREST ON OPERATING CAPITAL		(\$84.39	@	5.00%)		\$4.22	
INTEREST ON EQUIPMENT INVESTMENT								\$20.88	
RETURN TO LAND AND RISK								\$383.45	

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

BUDGET SUMMARY

GROSS RETURN		\$950.00	
VARIABLE OPERATING EXPENSES	\$345.47		
RETURN OVER VARIABLE EXPENSES	\$604.53		(GROSS MARGIN)
FIXED EXPENSES	\$112.11		
NET FARM INCOME	\$492.42		(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$83.88		
NET OPERATING PROFIT	\$408.55		(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$25.10		
RETURN TO LAND AND RISK	\$383.45		

TABLE 8. Corn for grain, flood-irrigated, budgeted per acre costs and returns for a 160 acre part-time farm, Estancia Basin, Projected 2013.
 Planting dates: May 1 - May 20
 Harvesting dates: November 1 - November 30

ITEM	PRICE	YIELD	BASE	TOTAL
GROSS RETURN				
CORN FOR GRAIN	\$6.35	120.00 BUSHELS		\$762.00
DIRECT PAYMENT	\$0.00	120.00 BUSHELS	0.85	\$0.00
COUNTER CYCLICAL PAYMENT	\$0.00	0.00 BUSHELS		\$0.00
GRAZING	\$12.00	1.00 ACRE		\$12.00
TOTAL				\$774.00

PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS	FIXED COST	TOTAL
SEED	\$3.04	25 000	\$75.88		\$75.88
ANHYDROUS AMMONIA (NH3)	\$0.42	200 LBS	\$83.00		\$83.00
NITROGEN (N)	\$0.61	20 LBS	\$12.20		\$12.20
PHOSPHATE (P205)	\$0.60	44 LBS	\$26.40		\$26.40
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*		36 AC. IN.			
CROP INSURANCE	\$0.98				\$0.98
SUBTOTAL			\$231.45	\$5.00	\$237.43

PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
DISC (2X)	96 HP	0.22 HR		\$1.72	\$4.02	\$1.68	\$5.97	\$13.39
CHISEL	96 HP	0.20 HR		\$1.56	\$3.65	\$0.49	\$3.79	\$9.49
FERT SPREADER	65 HP	0.05 HR		\$0.39	\$0.92	\$0.06	\$0.30	\$1.68
LISTER	96 HP	0.18 HR		\$1.40	\$3.29	\$0.53	\$2.72	\$7.94
PRE IRRIGATE		0.75 HR		\$5.63	\$10.13	\$0.00	\$1.18	\$16.93
PLANTER	65 HP	0.26 HR		\$2.03	\$4.80	\$0.76	\$8.05	\$15.64
CULTIVATOR (2X)	65 HP	0.42 HR		\$3.28	\$7.76	\$1.59	\$4.56	\$17.18
IRRIGATE (5X)		2.50 HR		\$18.75	\$50.63	\$0.00	\$5.91	\$75.29
SUBTOTAL		4.58 HR		\$34.75	\$85.21	\$5.10	\$32.48	\$157.54

HARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
COMBINE	4-ROW	0.35 HR		\$2.73	\$12.42	\$0.72	\$31.29	\$47.16
HAUL	1-TON	0.50 HR		\$3.90	\$17.24	\$3.08	\$62.02	\$86.24
SUBTOTAL		0.85 HR		\$6.63	\$29.67	\$3.80	\$93.31	\$133.41

OVERHEAD EXPENSES	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
DOWNTIME	0.55 HR		\$4.25				\$4.25
EMPLOYEE BENEFITS			\$4.97				\$4.97
INSURANCE		\$0.50					\$0.50
LAND TAXES						\$1.04	\$1.04
SUPERVISION AND MANAGEMENT			\$37.43				\$37.43
OTHER EXPENSES			\$128.52				\$128.52
SUBTOTAL	0.55 HR	\$129.01	\$46.65			\$1.04	\$176.70

TOTAL OPERATING EXPENSES	5.98 HR	\$360.46	\$88.03	\$114.87	\$8.91	\$131.83	\$705.08
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NET OPERATING PROFIT							\$68.92
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INTEREST ON OPERATING CAPITAL	(\$141.58	@	5.00%)		\$7.08
INTEREST ON EQUIPMENT INVESTMENT							\$58.96

RETURN TO LAND AND RISK							\$2.88
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* Pump water costs are shown under irrigation in the preharvest operations section.

BUDGET SUMMARY

GROSS RETURN		\$774.00	
VARIABLE OPERATING EXPENSES	\$484.24		
RETURN OVER VARIABLE EXPENSES		\$289.76	(GROSS MARGIN)
FIXED EXPENSES	\$131.83		
NET FARM INCOME		\$157.93	(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$88.03		
NET OPERATING PROFIT		\$69.90	(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$66.04		
RETURN TO LAND AND RISK		\$3.86	

TABLE 9. Pinto beans, flood-irrigated, budgeted per acre costs and returns for a 160 acre part-time farm, Estancia Basin, Projected 2013.
 Planting dates: May 15 - June 10
 Harvesting dates: September 1 - October 31

ITEM	PRICE	YIELD						TOTAL
GROSS RETURNS								
PINTO BEANS	\$16.00	20.00	CWT (BAGGED, CLEANED)					\$320.00
TOTAL								\$320.00
PURCHASED INPUTS								
	PRICE	QUANTITY	PURCHASED INPUTS				FIXED COST	TOTAL
SEED	\$35.00	60 LBS	\$2,100.00					\$2,100.00
INSECTICIDE (FLY-ON)	\$11.85	1 ACRE	\$11.85					\$11.85
HERBICIDE	\$16.99	1 ACRE	\$16.99					\$16.99
PUMP WATER*		18 AC. IN.						
SUBTOTAL								\$2,128.84
PREHARVEST OPERATIONS								
	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
DISC (2X)	96 HP	0.34 HR		\$2.65	\$6.21	\$2.60	\$9.23	\$20.69
LISTER	96 HP	0.18 HR		\$1.40	\$3.29	\$0.53	\$2.72	\$7.94
PRE-IRRIGATE		0.75 HR		\$5.63	\$10.13	\$0.00	\$1.18	\$16.93
PLANTER	65 HP	0.26 HR		\$2.03	\$4.80	\$0.76	\$8.05	\$15.64
CULTIVATOR (3X)	65 HP	0.63 HR		\$4.73	\$11.64	\$2.38	\$6.84	\$25.58
IRRIGATE (2X)		1.00 HR		\$7.50	\$20.25	\$0.00	\$2.36	\$30.12
SUBTOTAL								\$116.91
HARVEST OPERATIONS								
CUT	96 HP	0.50 HR		\$3.90	\$9.13	\$0.97	\$4.10	\$18.10
RAKE	65 HP	0.24 HR		\$1.87	\$4.43	\$0.36	\$2.83	\$9.50
COMBINE		0.31 HR		\$2.42	\$11.00	\$0.64	\$27.28	\$41.34
CLEANING & BAGGING			\$60.00					\$60.00
SUBTOTAL								\$128.94
OVERHEAD EXPENSES								
DOWNTIME		0.62 HR		\$4.80				\$4.80
EMPLOYEE BENEFITS				\$3.85				\$3.85
INSURANCE			\$0.39					\$0.39
LAND TAXES						\$1.04		\$1.04
SUPERVISION AND MANAGEMENT				\$15.93				\$15.93
OTHER EXPENSES			\$128.52					\$128.52
SUBTOTAL								\$154.53
TOTAL OPERATING EXPENSES								\$2,529.22
NET OPERATING PROFIT								(\$2,209.22)
INTEREST ON OPERATING CAPITAL (\$1,087.28 @ 5.00%)								\$54.36
INTEREST ON EQUIPMENT INVESTMENT								\$37.66
RETURN TO LAND AND RISK								(\$2,301.24)

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

BUDGET SUMMARY

GROSS RETURN	\$320.00		
VARIABLE OPERATING EXPENSES	\$2,406.86		
RETURN OVER VARIABLE EXPENSES	(\$2,086.86)	(GROSS MARGIN)	
FIXED EXPENSES	\$65.65		
NET FARM INCOME	(\$2,152.51)	(RETURN TO CAPITAL, LABOR, LAND & RISK)	
LABOR AND MANAGEMENT COST	\$56.71		
NET OPERATING PROFIT	(\$2,209.22)	(RETURN TO CAPITAL, LAND & RISK)	
CAPITAL COSTS	\$92.02		
RETURN TO LAND AND RISK	(\$2,301.24)		

TABLE 10. Summary of per acre costs and returns for a 160 acre part-time, flood-irrigated farm, Estancia Basin, New Mexico, Projected 2013.

	ALFALFA ESTABLISHMENT	ALFALFA HAY	CORN FOR GRAIN	PINTO BEANS
		TONS	BU	CWT
PRIMARY YIELD		4.00	120.00	20.00
PRIMARY PRICE		\$235.00	\$6.35	\$16.00
GOVERNMENT PAYMENTS		\$0.00	\$0.00	\$0.00
SECOND INCOME		\$10.00	\$12.00	\$0.00
GROSS RETURN		\$950.00	\$774.00	\$320.00
CASH OPERATING EXPENSES				
SEED	\$130.00		\$75.88	\$2,100.00
FERTILIZER		\$87.22	\$121.60	
CHEMICALS		\$23.14	\$33.97	\$28.84
CROP INSURANCE			\$0.98	
OTHER PURCHASED INPUTS		\$12.74		
CANAL WATER				
FUEL, OIL & LUBRICANTS-EQUIPMENT	\$21.47	\$21.20	\$54.11	\$50.52
FUEL-IRRIGATION	\$10.13	\$70.88	\$60.76	\$30.38
REPAIRS	\$4.42	\$1.34	\$8.91	\$8.23
CUSTOM CHARGES				\$60.00
LAND TAXES		\$1.04	\$1.04	\$1.04
OTHER EXPENSES	\$0.18	\$128.94	\$129.01	\$128.90
TOTAL CASH EXPENSES	\$166.19	\$346.51	\$486.27	\$2,407.91
RETURN OVER CASH EXPENSES	(\$166.19)	\$603.49	\$287.73	(\$2,087.91)
FIXED EXPENSES	\$84.66	\$111.06	\$130.79	\$64.60
TOTAL EXPENSES	\$250.85	\$457.58	\$617.05	\$2,472.51
NET FARM INCOME	(\$250.85)	\$492.42	\$156.95	(\$2,152.51)
LABOR AND MANAGEMENT COSTS	\$32.22	\$83.88	\$88.03	\$56.71
NET OPERATING PROFIT	(\$283.06)	\$408.55	\$68.92	(\$2,209.22)
CAPITAL COSTS				
INTEREST ON OPERATING CAPITAL		\$4.22	\$7.08	\$54.36
INTEREST ON EQUIPMENT INVESTMENT		\$20.88	\$58.96	\$37.66
TOTAL CAPITAL COSTS	\$0.00	\$25.10	\$66.04	\$92.02
RETURN TO LAND AND RISK	(\$283.06)	\$383.45	\$2.88	(\$2,301.24)
Flex Computation			192.63	-2,198.98

TABLE 11. Whole farm summary, Estancia Basin,
Projected 2013.

GROSS RETURNS		
ALFALFA HAY	40.00 ACRES	
CROP		\$37,600
GRAZING		\$400
CORN FOR GRAIN	51.00 ACRES	
CROP		\$38,862
GRAZING		\$612
DIRECT PAYMENT		\$0
PINTO BEANS	59.00 ACRES	
CROP		\$18,880
GROSS RETURN		<u>\$96,354</u>
CASH OPERATING EXPENSES		
SEED		\$128,810
FERTILIZER		\$9,690
CHEMICALS		\$4,360
CROP INSURANCE		\$50
OTHER PURCHASED INPUTS		\$509
CANAL WATER		\$0
FUEL, OIL & LUBRICANTS-EQUIPMENT		\$6,760
FUEL-IRRIGATION		\$7,807
REPAIRS		\$1,029
CUSTOM CHARGES		\$3,540
LAND TAXES		\$157
OTHER EXPENSES		\$19,344
TOTAL CASH EXPENSES		<u>\$182,056</u>
RETURN OVER CASH EXPENSES		(\$85,702)
FIXED EXPENSES		\$13,337
TOTAL EXPENSES		\$195,393
NET FARM INCOME		(\$99,039)
LABOR AND MANAGEMENT COSTS		\$11,448
NET OPERATING PROFIT		(\$110,487)
CAPITAL COSTS		
INTEREST ON OPERATING CAPITAL		\$3,737
INTEREST ON EQUIPMENT INVESTMENT		\$6,064
TOTAL CAPITAL COSTS		<u>\$9,801</u>
RETURN TO LAND AND RISK		<u>(\$120,288)</u>

LAND VALUE	RETURN TO RISK*	RETURN ON INVESTMENT**
\$750 /ACRE	(\$123,888)	-50.67%
\$1,000 /ACRE	(\$125,088)	-42.81%
\$1,250 /ACRE	(\$126,288)	-37.07%
\$1,500 /ACRE	(\$127,488)	-32.68%

* 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)