

TABLE 5. Alfalfa establishment, flood-irrigated, budgeted per acre costs and returns for an 80 acre farm, San Juan County,
 Projected 2015
 Planting dates: April 15 - June 1
 Harvest dates: June 1 - July 31

ITEM	PRICE	YIELD	TOTAL
GROSS RETURNS			
OAT HAY	#####	2.25 TONS (STACKED)	\$506.25
GRAZING	\$10.00	1.00 AUM	\$10.00
TOTAL			\$516.25

PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS	FIXED COST	TOTAL
ALFALFA SEED	\$6.00	20 LBS	\$120.00		\$120.00
OAT SEED	\$0.64	45 LBS	\$28.80		\$28.80
PHOSPHATE (P2O5)	\$0.40	45 LBS	\$18.00		\$18.00
WIRE	\$1.32	19 LBS	\$25.45		\$25.45
CANAL WATER		48 AC. IN.		\$122.00	\$122.00
CANAL WATER (MAINTENANCE)		1 ACRE		\$8.00	\$8.00
SUBTOTAL			\$192.25	\$130.00	\$322.25

PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
PLow	96 HP	0.67 HR		\$5.23	\$10.20	\$3.42	\$21.70	\$40.54
DISC (2X)	96 HP	0.34 HR		\$2.65	\$5.18	\$1.27	\$13.93	\$23.02
HARROW	96 HP	0.19 HR		\$1.48	\$2.89	\$0.18	\$2.71	\$7.27
FERTILIZE	96 HP	0.05 HR		\$0.39	\$0.76	\$0.05	\$0.30	\$1.49
CORRUGATE	40 HP	0.21 HR		\$1.64	\$1.96	\$0.75	\$5.72	\$10.07
DRILL	96 HP	0.21 HR		\$1.64	\$3.20	\$0.42	\$67.14	\$72.39
DITCHER (2X)	40 HP	0.10 HR		\$0.78	\$0.94	\$0.11	\$4.09	\$5.92
IRRIGATE (6X)		3.00 HR		\$22.50				\$22.50
SUBTOTAL		4.77 HR		\$36.31	\$25.13	\$6.19	\$115.58	\$183.20

HARVEST OPERATIONS								
SWATHER	14 FT	0.16 HR		\$1.25	\$1.50	\$0.09	\$14.72	\$17.56
BALER	96 HP	0.21 HR		\$1.64	\$3.20	\$0.23	\$5.15	\$10.22
BALE WAGON	96 HP	0.20 HR		\$1.56	\$3.04	\$0.44	\$9.31	\$14.36
SUBTOTAL		0.57 HR		\$4.45	\$7.74	\$0.77	\$29.18	\$42.13

OVERHEAD EXPENSES								
DOWNTIME		2.16 HR		\$16.87				\$16.87
EMPLOYEE BENEFITS				\$7.34				\$7.34
INSURANCE			\$0.82					\$0.82
LAND TAXES						\$2.45		\$2.45
SUPERVISION AND MANAGEMENT				\$39.55				\$39.55
SUBTOTAL		2.16 HR	\$0.82	\$63.75		\$2.45		\$67.02

TOTAL OPERATING EXPENSES		7.50 HR	\$193.07	\$104.51	\$32.86	\$6.96	\$277.20	\$614.61
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NET OPERATING PROFIT								(\$98.36)
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INTEREST ON OPERATING CAPITAL	(\$104.67	@	5.50%)			\$5.76
INTEREST ON EQUIPMENT INVESTMENT								\$57.05

RETURN TO LAND AND RISK								(\$161.17)
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TABLE 6. Alfalfa hay, flood-irrigated, budgeted per acre costs and returns for an 80 acre farm, San Juan County,
 Projected 2015
 Harvesting dates: June 1 - October 15

ITEM	PRICE	YIELD	TOTAL
GROSS RETURNS			
ALFALFA HAY	\$245.00	5.00 TONS (STACKED)	\$1,225.00
GRAZING	\$10.00	2.00 AUM	\$20.00
TOTAL			\$1,245.00

PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS	FIXED COST	TOTAL
PHOSPHATE (P2O5)	\$0.40	45 LBS	\$18.00		\$18.00
INSECTICIDE (AERIAL)	\$17.25	1 ACRE	\$17.25		\$17.25
WIRE	\$1.32	43 LBS	\$56.56		\$56.56
ESTABLISHMENT: Principal		6 YEARS		\$26.86	\$26.86
: Interest				\$14.69	\$14.69
LIVESTOCK FAC & EQUIP				\$5.00	\$5.00
CANAL WATER		60 AC. IN.		\$152.50	\$152.50
CANAL WATER (MAINTENANCE)		1 ACRE		\$8.00	\$8.00
SUBTOTAL			\$91.82	\$207.05	\$298.87

PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
FERTILIZE	96 HP	0.05 HR		\$0.39	\$0.76	\$0.05	\$0.30	\$1.49
DITCHER (2X)	40 HP	0.10 HR		\$0.78	\$0.94	\$0.11	\$4.09	\$5.92
IRRIGATE (10X)		5.00 HR		\$37.50				\$37.50
SUBTOTAL		5.15 HR		\$38.67	\$1.70	\$0.16	\$4.38	\$44.91

HARVEST OPERATIONS								
SWATHER (3X)	14 FT	0.48 HR		\$3.74	\$4.49	\$0.28	\$44.17	\$52.69
BALER (3X)	96 HP	0.63 HR		\$4.91	\$9.59	\$0.69	\$15.45	\$30.65
BALE WAGON (3X)	96 HP	0.60 HR		\$4.68	\$9.13	\$1.33	\$27.92	\$43.07
SUBTOTAL		1.71 HR		\$13.34	\$23.22	\$2.30	\$87.54	\$126.40

OVERHEAD EXPENSES								
DOWNTIME		0.44 HR		\$3.43				\$3.43
EMPLOYEE BENEFITS				\$9.36				\$9.36
INSURANCE			\$1.04					\$1.04
LAND TAXES							\$2.45	\$2.45
SUPERVISION AND MANAGEMENT				\$93.03				\$93.03
OTHER EXPENSES			\$263.31					\$263.31
SUBTOTAL		0.44 HR		\$264.35	\$105.82		\$2.45	\$372.62

TOTAL OPERATING EXPENSES		7.30 HR		\$356.17	\$157.83	\$24.91	\$2.46	\$301.42	\$842.80
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NET OPERATING PROFIT									\$402.20
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INTEREST ON OPERATING CAPITAL	(\$48.50	@	5.50%)				\$2.67
INTEREST ON EQUIPMENT INVESTMENT									\$48.12

RETURN TO LAND AND RISK									\$351.42
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BUDGET SUMMARY

GROSS RETURN		\$1,245.00	
VARIABLE OPERATING EXPENSES	\$383.55		
RETURN OVER VARIABLE EXPENSES	\$861.45	(GROSS MARGIN)	
FIXED EXPENSES	\$301.42		
NET FARM INCOME	\$560.03	(RETURN TO CAPITAL, LABOR, LAND & RISK)	
LABOR AND MANAGEMENT COST	\$157.83		
NET OPERATING PROFIT	\$402.20	(RETURN TO CAPITAL, LAND & RISK)	
CAPITAL COSTS	\$50.78		
RETURN TO LAND AND RISK	\$351.42		

TABLE 7. Permanent pasture establishment, flood-irrigated, budgeted per acre costs and returns for an 80 acre farm, San Juan County,
 Projected 2015
 Planting dates: August 15 - September 15

PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS	FIXED COST	TOTAL
SEED	\$3.12	14 LBS	\$43.68		\$43.68
NITROGEN (N)	\$0.45	20 LBS	\$9.00		\$9.00
PHOSPHATE (P205)	\$0.40	50 LBS	\$20.00		\$20.00
CANAL WATER		21 AC. IN.		\$53.38	\$53.38
CANAL WATER (MAINTENANCE)				\$8.00	\$8.00
SUBTOTAL			\$72.68	\$53.38	\$126.06

PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
PLOW	96 HP	0.67 HR		\$5.23	\$10.20	\$3.42	\$21.70	\$40.54
DISC (2X)	96 HP	0.34 HR		\$2.65	\$5.18	\$1.27	\$13.93	\$23.02
HARROW	96 HP	0.19 HR		\$1.48	\$2.89	\$0.18	\$2.71	\$7.27
FERTILIZE	96 HP	0.05 HR		\$0.39	\$0.76	\$0.05	\$0.30	\$1.49
CORRUGATE	40 HP	0.21 HR		\$1.64	\$1.96	\$0.75	\$5.72	\$10.07
DRILL	96 HP	0.21 HR		\$1.64	\$3.20	\$0.42	\$67.14	\$72.39
DITCHER (2X)	40 HP	0.10 HR		\$0.78	\$0.94	\$0.11	\$4.09	\$5.92
IRRIGATE (3X)		1.50 HR		\$11.25				\$11.25
SUBTOTAL		3.27 HR		\$25.06	\$25.13	\$6.19	\$115.58	\$171.95

OVERHEAD EXPENSES	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	TOTAL
DOWNTIME	0.44 HR		\$3.45	\$3.45
EMPLOYEE BENEFITS			\$4.51	\$4.51
INSURANCE		\$0.50		\$0.50
SUPERVISION AND MANAGEMENT			\$23.25	\$23.25
SUBTOTAL	0.44 HR	\$0.50	\$31.21	\$31.71

TOTAL OPERATING EXPENSES	3.71 HR	\$73.18	\$56.26	\$25.13	\$6.19	\$168.95	\$329.72
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TABLE 8. Permanent pasture, flood-irrigated, budgeted per acre costs and returns for an 80 acre farm, San Juan County,
 Projected 2015
 Harvesting dates: Year Round

ITEM	PRICE	YIELD	TOTAL
GROSS RETURNS			
PASTURE	\$12.00	12.00 AUMS	\$144.00
TOTAL			\$144.00

PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS	FIXED COST	TOTAL
NITROGEN (N)	\$0.45	100 LBS	\$45.00		\$45.00
LIVESTOCK FAC & EQUIP ESTABLISHMENT: Principal		15 YEARS		\$5.00	\$5.00
: Interest				\$21.98	\$21.98
CANAL WATER		62 AC. IN.		\$5.30	\$5.30
CANAL WATER (MAINTENANCE)		1 ACRE		\$157.58	\$157.58
				\$8.00	\$8.00
SUBTOTAL			\$45.00	\$197.86	\$242.86

PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
FERTILIZE	96 HP	0.05 HR		\$0.39	\$0.76	\$0.05	\$0.30	\$1.49
CORRUGATE	40 HP	0.21 HR		\$1.64	\$1.96	\$0.75	\$5.72	\$10.07
DITCHER (2X)	40 HP	0.10 HR		\$0.78	\$0.94	\$0.11	\$4.09	\$5.92
IRRIGATE (11X)		5.50 HR		\$41.25				\$41.25
SUBTOTAL		5.86 HR		\$44.06	\$3.66	\$0.91	\$10.10	\$58.73

OVERHEAD EXPENSES

DOWNTIME		0.09 HR		\$0.70				\$0.70
EMPLOYEE BENEFITS				\$7.93				\$7.93
INSURANCE			\$0.88					\$0.88
LAND TAXES							\$2.45	\$2.45
SUPERVISION AND MANAGEMENT				\$15.76				\$15.76
OTHER EXPENSES			\$263.31					\$263.31
SUBTOTAL		0.09 HR	\$264.19	\$24.39			\$2.45	\$291.03

TOTAL OPERATING EXPENSES		5.95 HR	\$309.19	\$68.45	\$3.66	\$0.91	\$210.41	\$592.62
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NET OPERATING PROFIT								(\$448.62)
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INTEREST ON OPERATING CAPITAL	(\$23.64	@	5.50%)			\$1.30
INTEREST ON EQUIPMENT INVESTMENT								\$6.58

RETURN TO LAND AND RISK								(\$456.50)
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BUDGET SUMMARY

GROSS RETURN		\$144.00	
VARIABLE OPERATING EXPENSES	\$313.76		
RETURN OVER VARIABLE EXPENSES		(\$169.76)	(GROSS MARGIN)
FIXED EXPENSES	\$210.41		
NET FARM INCOME		(\$380.17)	(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$68.45		
NET OPERATING PROFIT		(\$448.62)	(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$7.88		
RETURN TO LAND AND RISK		(\$456.50)	

TABLE 9. Corn for silage, flood-irrigated, budgeted per acre costs and returns for an 80 acre farm, San Juan County,
 Projected 2015
 Planting dates: May 1 - May 20
 Harvesting dates: September 1 - September 30

ITEM	PRICE	YIELD						TOTAL
GROSS RETURNS								
CORN SILAGE	\$55.00	21.00 TONS (HAULED)						\$1,155.00
TOTAL							\$1,155.00	
PURCHASED INPUTS								
PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS				FIXED COST	TOTAL
SEED	\$3.26	30 000	\$97.88					\$97.88
ANHYDROUS AMMONIA (NH3)	\$0.33	225 LBS	\$73.13					\$73.13
HERBICIDE	\$16.00	1 ACRE	\$16.00					\$16.00
CANAL WATER		48 AC. IN.				\$122.00	\$122.00	
CANAL WATER (MAINTENANCE)		1 ACRE				\$8.00	\$8.00	
SUBTOTAL			\$187.00				\$130.00	\$317.00
PREHARVEST OPERATIONS								
PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
PLOW	96 HP	0.67 HR		\$5.23	\$10.20	\$3.42	\$21.70	\$40.54
DISC (2X)	96 HP	0.34 HR		\$2.65	\$5.18	\$1.27	\$13.93	\$23.02
HARROW	96 HP	0.19 HR		\$1.48	\$2.89	\$0.18	\$2.71	\$7.27
FERTILIZE	96 HP	0.05 HR		\$0.39	\$0.76	\$0.05	\$0.30	\$1.49
CORRUGATE	40 HP	0.21 HR		\$1.64	\$1.96	\$0.75	\$5.72	\$10.07
PRE-IRRIGATE		0.75 HR		\$5.63				\$5.63
PLANTER	96 HP	0.26 HR		\$2.03	\$3.96	\$0.67	\$37.18	\$43.84
CULTIVATOR (2X)	40 HP	0.42 HR		\$3.28	\$3.93	\$1.49	\$11.44	\$20.13
IRRIGATE (9X)		4.50 HR		\$33.75				\$33.75
SUBTOTAL		7.39 HR		\$56.07	\$28.88	\$7.83	\$92.97	\$185.74
HARVEST OPERATIONS								
SILAGE CHOPPER, PTO	96 HP	0.71 HR		\$5.54	\$10.81	\$0.93	\$54.64	\$71.92
LOAD & HAUL	40 HP	0.71 HR		\$5.54	\$6.64	\$1.20	\$29.33	\$42.71
SUBTOTAL		1.42 HR		\$11.08	\$17.45	\$2.13	\$83.97	\$114.63
OVERHEAD EXPENSES								
DOWNTIME		0.89 HR		\$6.94				\$6.94
EMPLOYEE BENEFITS				\$12.09				\$12.09
INSURANCE			\$1.34					\$1.34
LAND TAXES						\$2.45		\$2.45
SUPERVISION AND MANAGEMENT				\$87.13				\$87.13
OTHER EXPENSES			\$263.31					\$263.31
SUBTOTAL		0.89 HR	\$264.65	\$106.16			\$2.45	\$373.26
TOTAL OPERATING EXPENSES		9.70 HR	\$451.65	\$173.30	\$46.33	\$9.96	\$309.39	\$990.63
NET OPERATING PROFIT							\$164.37	
INTEREST ON OPERATING CAPITAL		(\$104.31 @ 5.50%)					\$5.74	
INTEREST ON EQUIPMENT INVESTMENT							\$87.68	
RETURN TO LAND AND RISK							\$70.96	

BUDGET SUMMARY		
GROSS RETURN	\$1,155.00	
VARIABLE OPERATING EXPENSES	\$507.94	
RETURN OVER VARIABLE EXPENSES	\$647.06	(GROSS MARGIN)
FIXED EXPENSES	\$309.39	
NET FARM INCOME	\$337.67	(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$173.30	
NET OPERATING PROFIT	\$164.37	(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$93.41	
RETURN TO LAND AND RISK	\$70.96	

TABLE 10. Summary of per acre costs and returns for an 80 acre farm, San Juan County,
Projected 2015

	ALFALFA ESTABLISHMENT	ALFALFA HAY	ANNUAL PASTURE ESTABLISHMENT	ANNUAL PASTURE	CORN FOR SILAGE
	TONS	TONS		AUMS	TONS
PRIMARY YIELD	2.25	5.00		12.00	21.00
PRIMARY PRICE	\$225.00	\$245.00		\$12.00	\$55.00
GOVERNMENT PAYMENTS	\$0.00	\$0.00		\$0.00	\$0.00
SECOND INCOME	\$10.00	\$20.00		\$0.00	\$0.00
GROSS RETURN	\$516.25	\$1,245.00		\$144.00	\$1,155.00
CASH OPERATING EXPENSES					
SEED	\$148.80		\$43.68		\$97.88
FERTILIZER	\$18.00	\$18.00	\$29.00	\$45.00	\$73.13
CHEMICALS		\$17.25			\$16.00
CROP INSURANCE					
OTHER PURCHASED INPUTS	\$25.45	\$56.56	\$0.00	\$0.00	\$0.00
CANAL WATER					
FUEL, OIL & LUBRICANTS-EQUIPMENT	\$32.86	\$24.91	\$25.13	\$3.66	\$46.33
FUEL-IRRIGATION					
REPAIRS	\$6.96	\$2.46	\$6.19	\$0.91	\$9.96
CUSTOM CHARGES					
LAND TAXES	\$2.45	\$2.45		\$2.45	\$2.45
OTHER EXPENSES	\$0.82	\$264.35	\$0.50	\$264.19	\$264.65
TOTAL CASH EXPENSES	\$235.34	\$385.99	\$104.50	\$316.20	\$510.39
RETURN OVER CASH EXPENSES	\$280.91	\$859.01	(\$104.50)	(\$172.20)	\$644.61
FIXED EXPENSES	\$274.76	\$298.98	\$168.95	\$207.96	\$306.94
TOTAL EXPENSES	\$510.10	\$684.97	\$273.45	\$524.17	\$817.33
NET FARM INCOME	\$6.15	\$560.03	(\$273.45)	(\$380.17)	\$337.67
LABOR AND MANAGEMENT COSTS	\$104.51	\$157.83	\$56.26	\$68.45	\$173.30
NET OPERATING PROFIT	(\$98.36)	\$402.20	(\$329.72)	(\$448.62)	\$164.37
CAPITAL COSTS					
INTEREST ON OPERATING CAPITAL	\$5.76	\$2.67		\$1.30	\$5.74
INTEREST ON EQUIPMENT INVESTMENT	\$57.05	\$48.12		\$6.58	\$87.68
TOTAL CAPITAL COSTS	\$62.81	\$50.78	\$0.00	\$7.88	\$93.41
RETURN TO LAND AND RISK	(\$161.17)	\$351.42	(\$329.72)	(\$456.50)	\$70.96

TABLE 11. Whole farm summary, San Juan County,
Projected 2015

GROSS RETURNS		
OAT HAY	6.00 ACRES	
CROP		\$3,038
GRAZING		\$60
ALFALFA HAY	34.00 ACRES	
CROP		\$41,650
GRAZING		\$680
PASTURE	20.00 ACRES	
GRAZING		\$2,880
CORN FOR SILAGE	20.00 ACRES	
CROP		\$23,100
GROSS RETURN		<u>\$71,408</u>
CASH OPERATING EXPENSES		
SEED		\$2,894
FERTILIZER		\$3,112
CHEMICALS		\$907
CROP INSURANCE		\$0
OTHER PURCHASED INPUTS		\$2,076
CANAL WATER		\$0
FUEL, OIL & LUBRICANTS-EQUIPMENT		\$2,069
FUEL-IRRIGATION		\$0
REPAIRS		\$349
CUSTOM CHARGES		\$0
LAND TAXES		\$196
OTHER EXPENSES		\$19,570
TOTAL CASH EXPENSES		<u>\$31,172</u>
RETURN OVER CASH EXPENSES		\$40,235
FIXED EXPENSES		\$20,928
TOTAL EXPENSES		\$52,100
NET FARM INCOME		\$19,308
LABOR AND MANAGEMENT COSTS		\$10,885
NET OPERATING PROFIT		\$8,423
CAPITAL COSTS		
INTEREST ON OPERATING CAPITAL		\$266
INTEREST ON EQUIPMENT INVESTMENT		\$3,863
TOTAL CAPITAL COSTS		<u>\$4,129</u>
RETURN TO LAND AND RISK		<u>\$4,294</u>

LAND VALUE	RETURN TO RISK*	RETURN ON INVESTMENT**
\$1,000 /ACRE	\$1,894	6.12%
\$2,500 /ACRE	(\$1,706)	3.27%
\$4,000 /ACRE	(\$5,306)	2.23%
\$5,500 /ACRE	(\$8,906)	1.69%
\$7,000 /ACRE	(\$12,506)	1.36%
\$8,500 /ACRE	(\$16,106)	1.14%

* 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)