

Hemp for Grain, flood-irrigated, budgeted per acre costs and returns for a farm with above average management, Dona Ana and Sierra Counties,
Projected 2019

ITEM	PRICE	YIELD	TOTAL
GROSS RETURNS			
GRAIN	\$0.70	1,400.00 LBS	\$980.00
TOTAL			\$980.00

Price Range:
\$0.50 to \$1.00

PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS	FIXED COST	TOTAL
SEED	\$2.00	30 LBS	\$60.00		\$60.00
NITROGEN (N)	\$0.42	130 LBS	\$54.60		\$54.60
PHOSPHATE (P205)	\$0.49	50 LBS	\$24.50		\$24.50
POTASSIUM (K2O)	\$0.39	35 LBS	\$13.65		\$13.65
HERBICIDE & PESTICIDE	\$0.00	0 X/ACRE	\$0.00		\$0.00
PUMP WATER*		30 AC. IN.			
CANAL WATER		6 AC. IN.	\$85.00		\$85.00
APPLICATION & LICENSE FEE	\$650.00	3 TESTS	\$195.00		\$195.00
CROP INSURANCE	\$0.00		\$0.00		\$0.00
SUBTOTAL			\$432.75		\$432.75

Not yet registered

PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
DISC	140 HP	0.14 HR		\$1.32	\$2.57	\$1.12	\$1.59	\$6.61
CHISEL	140 HP	0.20 HR		\$1.89	\$3.67	\$1.26	\$2.45	\$9.28
FERTILIZE	140 HP	0.05 HR		\$0.47	\$0.92	\$0.21	\$0.46	\$2.06
DISC	140 HP	0.17 HR		\$1.61	\$3.12	\$1.54	\$2.61	\$8.88
BORDER DISC	40 HP	0.05 HR		\$0.47	\$0.44	\$0.10	\$1.94	\$2.95
DRILL	140 HP	0.21 HR		\$1.98	\$3.86	\$1.12	\$10.06	\$17.02
IRRIGATE (4X)		2.00 HR		\$18.90	\$0.27	\$0.00	\$8.19	\$27.36
SUBTOTAL		2.82 HR		\$26.65	\$14.85	\$5.36	\$27.30	\$74.16

HARVEST OPERATIONS

COMBINE (CUSTOM)		\$60.00	\$60.00
DRYING (CUSTOM)		\$10.00	\$10.00
HAUL (CUSTOM)		\$5.25	\$5.25
SUBTOTAL		\$75.25	\$75.25

POSTHARVEST OPERATIONS

OVERHEAD EXPENSES

DOWNTIME	0.21 HR	\$1.94	\$1.94
EMPLOYEE BENEFITS		\$4.80	\$4.80
INSURANCE		\$0.53	\$0.53
LAND TAXES			\$9.44
SUPERVISION AND MANAGEMENT		\$71.01	\$71.01
OTHER EXPENSES		\$85.30	\$85.30
SUBTOTAL	0.21 HR	\$85.83	\$77.74

TOTAL OPERATING EXPENSES	3.03 HR	\$593.83	\$104.39	\$14.85	\$5.36	\$36.74	\$755.17
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NET OPERATING PROFIT							\$224.83
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INTEREST ON OPERATING CAPITAL	\$227.70	@	5.50%)			\$12.52
INTEREST ON EQUIPMENT INVESTMENT							\$12.94

RETURN TO LAND AND RISK							\$199.36
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*Pump water costs are shown under irrigation in the preharvest operation section.

BUDGET SUMMARY

GROSS RETURN		\$980.00	
VARIABLE OPERATING EXPENSES	\$614.04		
RETURN OVER VARIABLE EXPENSES	\$365.96	(GROSS MARGIN)	
FIXED EXPENSES	\$36.74		
NET FARM INCOME	\$329.22	(RETURN TO CAPITAL, LABOR, LAND & RISK)	
LABOR AND MANAGEMENT COST	\$104.39		
NET OPERATING PROFIT	\$224.83	(RETURN TO CAPITAL, LAND & RISK)	
CAPITAL COSTS	\$25.47		
RETURN TO LAND AND RISK	\$199.36		