

TABLE 6. Alfalfa hay, flood-irrigated, budgeted per acre costs and returns for a 300 acre farm with above average management, Cibola County, Projected 2015
Harvesting Dates: June 15 - September 15

ITEM	PRICE	YIELD						TOTAL
GROSS RETURNS								
ALFALFA HAY	\$245.00	4.00 TONS (STACKED)						\$980.00
GRAZING	\$10.00	1.00 ACRE						\$10.00
TOTAL							\$990.00	
PURCHASED INPUTS								
PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS				FIXED COST	TOTAL
PHOSPHATE (P2O5)	\$0.40	40 LBS	\$16.00					\$16.00
WIRE	\$1.32	34 LBS	\$45.25					\$45.25
GOPHER CONTROL	\$1.50	1 ACRE	\$1.50					\$1.50
ESTABLISHMENT: Principal		8 YEARS						\$0.00
: Interest								\$0.00
CANAL WATER		42 AC. IN.	\$5.00					\$5.00
SUBTOTAL			\$67.75				\$0.00	\$67.75
PREHARVEST OPERATIONS								
PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
FERT SPREADER	93 HP	0.05 HR		\$0.38	\$0.76	\$0.09	\$1.71	\$2.94
GOPHER CONTROL	40 HP	0.15 HR		\$1.13	\$1.40	\$0.16	\$2.11	\$4.80
IRRIGATE (6X)		3.00 HR		\$22.50				\$22.50
SUBTOTAL	3.20 HR			\$24.00	\$2.16	\$0.25	\$3.83	\$30.24
HARVEST OPERATIONS								
SWATHER (3X)	16 FT	0.33 HR		\$2.48	\$5.00	\$0.48	\$19.14	\$27.10
BALER (3X)	65 HP	0.63 HR		\$4.73	\$7.66	\$0.91	\$4.63	\$17.92
BALEWAGON (3X)	93 HP	0.60 HR		\$4.50	\$9.13	\$2.73	\$13.04	\$29.40
SUBTOTAL	1.56 HR			\$11.70	\$21.80	\$4.12	\$36.81	\$74.43
OVERHEAD EXPENSES								
DOWNTIME		0.43 HR		\$3.21				\$3.21
EMPLOYEE BENEFITS				\$6.43				\$6.43
INSURANCE			\$0.71					\$0.71
LAND TAXES							\$36.00	\$36.00
SUPERVISION AND MANAGEMENT				\$73.16				\$73.16
OTHER EXPENSES			\$92.75					\$92.75
SUBTOTAL	0.43 HR		\$93.46	\$82.79			\$36.00	\$212.25
TOTAL OPERATING EXPENSES	5.19 HR		\$161.21	\$118.49	\$23.96	\$4.37	\$76.64	\$384.67
NET OPERATING PROFIT								\$605.33
INTEREST ON OPERATING CAPITAL		(\$36.64 @	5.50%)				\$2.02
INTEREST ON EQUIPMENT INVESTMENT								\$23.00
RETURN TO LAND AND RISK								\$580.32

BUDGET SUMMARY			
GROSS RETURN		\$990.00	
VARIABLE OPERATING EXPENSES	\$189.54		
RETURN OVER VARIABLE EXPENSES		\$800.46	(GROSS MARGIN)
FIXED EXPENSES	\$76.64		
NET FARM INCOME		\$723.82	(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$118.49		
NET OPERATING PROFIT		\$605.33	(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$25.01		
RETURN TO LAND AND RISK		\$580.32	

TABLE 7. Permanent pasture establishment, flood-irrigated, budgeted per acre costs and returns for a 300 acre farm with above average management, Cibola County, Projected 2015
Planting Dates: May 15 - July 1

ITEM	PRICE	QUANTITY	PURCHASED INPUTS					TOTAL
<u>PURCHASED INPUTS</u>								
GRASS SEED	\$3.12	15 LBS	\$46.80					\$46.80
CANAL WATER		18 AC. IN.	\$5.00					\$5.00
SUBTOTAL			\$51.80					\$51.80
<u>PREHARVEST OPERATIONS</u>								
	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
PLOW	93 HP	0.67 HR		\$5.03	\$10.20	\$3.42	\$10.43	\$29.07
DISC (2X)	93 HP	0.14 HR		\$1.05	\$2.13	\$0.65	\$4.34	\$8.17
FLOAT	93 HP	0.24 HR		\$1.80	\$3.65	\$0.23	\$1.28	\$6.96
DRILL	65 HP	0.21 HR		\$1.58	\$2.55	\$0.49	\$10.72	\$15.34
BORDER DISC	40 HP	0.05 HR		\$0.38	\$0.47	\$0.10	\$2.99	\$3.94
IRRIGATE (3X)		1.50 HR		\$11.25				\$11.25
SUBTOTAL		2.81 HR		\$21.08	\$19.01	\$4.89	\$29.76	\$74.74
<u>OVERHEAD EXPENSES</u>								
DOWNTIME		0.33 HR		\$2.46				\$2.46
EMPLOYEE BENEFITS				\$3.79				\$3.79
INSURANCE			\$0.42					\$0.42
LAND TAXES							\$36.00	\$36.00
SUPERVISION AND MANAGEMENT				\$11.01				\$11.01
SUBTOTAL		0.33 HR	\$0.42	\$17.26			\$36.00	\$53.68
<u>TOTAL OPERATING EXPENSES</u>		3.14 HR	\$52.22	\$38.34	\$19.01	\$4.89	\$65.76	\$180.22

TABLE 8. Permanent pasture, flood-irrigated, budgeted per acre costs and returns for a 300 acre farm with above average management, Cibola County, Projected 2015
Harvesting Dates: September 30 - June 30

ITEM	PRICE	YIELD					TOTAL
GROSS RETURNS PASTURE	\$12.00	6.00 AUMS					\$72.00
TOTAL							\$72.00

PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS	FIXED COST	TOTAL
LIVESTOCK FAC & EQUIP ESTABLISHMENT: Principal		20 YEARS		\$3.00	\$3.00
: Interest				\$9.01	\$9.01
CANAL WATER		30 AC. IN.	\$5.00	\$3.85	\$3.85
					\$5.00
SUBTOTAL			\$5.00	\$15.87	\$20.87

PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
IRRIGATE (5X)		2.50 HR		\$18.75				\$18.75
SUBTOTAL		2.50 HR		\$18.75				\$18.75

OVERHEAD EXPENSES								
DOWNTIME		0.00 HR		\$0.00				\$0.00
EMPLOYEE BENEFITS				\$3.38				\$3.38
INSURANCE			\$0.38					\$0.38
LAND TAXES							\$36.00	\$36.00
SUPERVISION AND MANAGEMENT				\$7.54				\$7.54
OTHER EXPENSES			\$92.75					\$92.75
SUBTOTAL		0.00 HR	\$93.12	\$10.92			\$36.00	\$140.04

TOTAL OPERATING EXPENSES		2.50 HR	\$98.12	\$29.67	\$0.00	\$0.00	\$51.87	\$179.65
NET OPERATING PROFIT								(\$107.65)
INTEREST ON OPERATING CAPITAL	(\$2.50	@	5.50%)			\$0.14
INTEREST ON EQUIPMENT INVESTMENT								\$0.00
RETURN TO LAND AND RISK								(\$107.79)

BUDGET SUMMARY

GROSS RETURN	\$72.00	
VARIABLE OPERATING EXPENSES	\$98.12	
RETURN OVER VARIABLE EXPENSES	(\$26.12)	(GROSS MARGIN)
FIXED EXPENSES	\$51.87	
NET FARM INCOME	(\$77.99)	(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$29.67	
NET OPERATING PROFIT	(\$107.65)	(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$0.14	
RETURN TO LAND AND RISK	(\$107.79)	

TABLE 9. Wheat for grain, flood-irrigated, budgeted per acre costs and returns for a 300 acre farm with above average management, Cibola County, Projected 2015
 Planting Dates: August 1 - September 30
 Harvesting Dates: July 1 - August 15

ITEM	PRICE	YIELD						TOTAL
GROSS RETURNS								
GRAIN	\$7.00	65.00 BUSHELS						\$455.00
GRAZING	\$11.00	2.00 AUMS						\$22.00
STRAW	\$2.00	50.00 BALES						\$100.00
TOTAL								\$577.00
PURCHASED INPUTS								
	PRICE	QUANTITY	PURCHASED INPUTS				FIXED COST	TOTAL
SEED	\$0.45	80 LBS	\$36.00					\$36.00
BALING WIRE	\$1.32	14 LBS	\$18.85					\$18.85
CANAL WATER		24 ACRE IN.	\$5.00					\$5.00
SUBTOTAL								\$59.85
PREHARVEST OPERATIONS								
	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
FLOW	93 HP	0.67 HR		\$5.03	\$10.20	\$3.42	\$10.43	\$29.07
DISC (2X)	93 HP	0.28 HR		\$2.10	\$4.26	\$1.31	\$8.68	\$16.35
FLOAT (2X)	93 HP	0.48 HR		\$3.60	\$7.31	\$0.46	\$2.55	\$13.92
DRILL	65 HP	0.21 HR		\$1.58	\$2.55	\$0.49	\$10.72	\$15.34
BORDER DISC	40 HP	0.05 HR		\$0.38	\$0.47	\$0.10	\$2.99	\$3.94
IRRIGATE (4X)		2.00 HR		\$15.00				\$15.00
SUBTOTAL		3.69 HR		\$27.68	\$24.79	\$5.78	\$35.38	\$93.62
HARVEST OPERATIONS								
COMBINE (CUSTOM)				\$16.57				\$16.57
HAUL (CUSTOM)				\$12.35				\$12.35
BALER, 2-WIRE	65 HP	0.21 HR		\$1.58	\$2.55	\$0.30	\$1.54	\$5.97
BALE WAGON	93 HP	0.20 HR		\$1.50	\$3.04	\$0.91	\$4.35	\$9.80
SUBTOTAL		0.41 HR		\$28.92	\$3.08	\$5.60	\$1.21	\$44.70
OVERHEAD EXPENSES								
DOWNTIME		0.53 HR		\$3.94				\$3.94
EMPLOYEE BENEFITS				\$5.54				\$5.54
INSURANCE				\$0.62				\$0.62
LAND TAXES							\$36.00	\$36.00
SUPERVISION AND MANAGEMENT				\$43.44				\$43.44
OTHER EXPENSES				\$92.75				\$92.75
SUBTOTAL		0.53 HR		\$93.36	\$52.91		\$36.00	\$182.27
TOTAL OPERATING EXPENSES		4.63 HR		\$182.14	\$83.66	\$30.39	\$6.99	\$380.45
NET OPERATING PROFIT								\$196.55
INTEREST ON OPERATING CAPITAL		(\$40.55	@	5.50%)		\$2.23
INTEREST ON EQUIPMENT INVESTMENT								\$18.38
RETURN TO LAND AND RISK								\$175.94

BUDGET SUMMARY			
GROSS RETURN		\$577.00	
VARIABLE OPERATING EXPENSES	\$219.51		
RETURN OVER VARIABLE EXPENSES		\$357.49	(GROSS MARGIN)
FIXED EXPENSES	\$77.27		
NET FARM INCOME		\$280.22	(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$83.66		
NET OPERATING PROFIT		\$196.55	(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$20.61		
RETURN TO LAND AND RISK		\$175.94	

TABLE 10. Sweet corn, flood-irrigated, budgeted per acre costs and returns for a 300 acre farm with above average management, Cibola County, Projected 2015
 Planting Dates: May 5 - May 25
 Harvest Dates: August 15 - September 20

ITEM	PRICE	YIELD	TOTAL
GROSS RETURNS CORN	\$2.00	700.00 DOZEN	\$1,400.00
TOTAL			\$1,400.00

PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS	FIXED COST	TOTAL
SEED	\$62.00	13 LBS	\$775.00		\$775.00
NITROGEN (N)	\$0.45	120 LBS	\$54.00		\$54.00
PHOSPHATE (P2O5)	\$0.40	45 LBS	\$18.00		\$18.00
HERBICIDE	\$19.28	1 ACRE	\$19.28		\$19.28
INSECTICIDE	\$13.18	2 X/ACRE	\$26.36		\$26.36
CANAL WATER		30 AC. IN.	\$5.00		\$5.00
SUBTOTAL			\$897.64		\$897.64

PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
DISC	93 HP	0.14 HR		\$1.05	\$2.13	\$0.65	\$4.34	\$8.17
PLOW	93 HP	0.67 HR		\$5.03	\$10.20	\$3.42	\$10.43	\$29.07
SPRAY	65 HP	0.15 HR		\$1.13	\$1.82	\$0.29	\$8.85	\$12.09
FERT SPREADER	93 HP	0.05 HR		\$0.38	\$0.76	\$0.09	\$1.71	\$2.94
DISC	93 HP	0.14 HR		\$1.05	\$2.13	\$0.65	\$4.34	\$8.17
FLOAT	93 HP	0.24 HR		\$1.80	\$3.65	\$0.23	\$1.28	\$6.96
LISTER	65 HP	0.18 HR		\$1.35	\$2.19	\$0.59	\$29.45	\$33.58
PRE-IRRIGATE		0.75 HR		\$5.63				\$5.63
HAND PLANT		5.00 HR		\$37.50				\$37.50
SPRAY (2X)	65 HP	0.30 HR		\$2.25	\$3.65	\$0.59	\$17.71	\$24.19
CULTIVATOR (2X)	65 HP	0.42 HR		\$3.15	\$5.11	\$3.15	\$91.44	\$102.85
IRRIGATE (4X)		2.00 HR		\$15.00				\$15.00
SUBTOTAL		10.04 HR		\$75.30	\$31.64	\$9.66	\$169.56	\$286.16

HARVEST OPERATIONS								
HAND PICK		25.00 HR		\$187.50				\$187.50
HAUL	3/4 TON	6.25 HR		\$46.88	\$98.44	\$5.50	\$577.89	\$728.70
SUBTOTAL		31.25 HR		\$234.38	\$98.44	\$5.50	\$577.89	\$916.20

OVERHEAD EXPENSES								
DOWNTIME		3.26 HR		\$24.47				\$24.47
EMPLOYEE BENEFITS				\$55.74				\$55.74
INSURANCE				\$6.19				\$6.19
LAND TAXES						\$36.00		\$36.00
SUPERVISION AND MANAGEMENT				\$107.28				\$107.28
OTHER EXPENSES				\$92.75				\$92.75
SUBTOTAL		3.26 HR		\$98.94	\$187.49		\$36.00	\$322.43

TOTAL OPERATING EXPENSES 13.30 HR \$996.58 \$497.16 \$130.08 \$15.16 \$783.44 \$2,422.42

NET OPERATING PROFIT (\$1,022.42)

INTEREST ON OPERATING CAPITAL (\$467.81 @ 5.50%) \$25.73
 INTEREST ON EQUIPMENT INVESTMENT \$219.96

RETURN TO LAND AND RISK (\$1,268.11)

BUDGET SUMMARY			
GROSS RETURN	\$1,400.00		
VARIABLE OPERATING EXPENSES	\$1,141.82		
RETURN OVER VARIABLE EXPENSES	\$258.18	(GROSS MARGIN)	
FIXED EXPENSES	\$783.44		
NET FARM INCOME	(\$525.26)	(RETURN TO CAPITAL, LABOR, LAND & RISK)	
LABOR AND MANAGEMENT COST	\$497.16		
NET OPERATING PROFIT	(\$1,022.42)	(RETURN TO CAPITAL, LAND & RISK)	
CAPITAL COSTS	\$245.69		
RETURN TO LAND AND RISK	(\$1,268.11)		

TABLE 11. Summary of per acre costs and returns, 300 acre farm with above average management, Cibola County, Projected 2015

	ALFALFA ESTABLISHMEN T	ALFALFA HAY	PERMANENT PASTURE ESTABLISHMEN	PERMANENT PASTURE	WHEAT FOR GRAIN	SWEET CORN
	TONS	TONS		AUMS	BU	DOZ
PRIMARY YIELD	3.50	4.00		6.00	65.00	700.00
PRIMARY PRICE	\$195.00	\$245.00		\$12.00	\$7.00	\$2.00
GOVERNMENT PAYMENTS	\$0.00	\$0.00		\$0.00	\$0.00	\$0.00
SECOND INCOME	\$0.00	\$10.00		\$0.00	\$122.00	\$0.00
GROSS RETURN	\$682.50	\$990.00		\$72.00	\$577.00	\$1,400.00
CASH OPERATING EXPENSES						
SEED	\$145.80		\$46.80		\$36.00	\$775.00
FERTILIZER		\$16.00				\$72.00
CHEMICALS		\$1.50				\$45.64
CROP INSURANCE					\$0.00	
OTHER PURCHASED INPUTS		\$45.25			\$18.85	
CANAL WATER	\$5.00	\$5.00	\$5.00	\$5.00	\$5.00	\$5.00
FUEL, OIL & LUBRICANTS-EQUIPMENT	\$28.40	\$23.96	\$19.01	\$0.00	\$30.39	\$130.08
FUEL-IRRIGATION						
REPAIRS	\$6.92	\$4.37	\$4.89	\$0.00	\$6.99	\$15.16
CUSTOM CHARGES					\$28.92	
LAND TAXES	\$36.00	\$36.00	\$36.00	\$36.00	\$36.00	\$36.00
OTHER EXPENSES	\$93.27	\$93.46	\$0.42	\$93.12	\$93.36	\$98.94
TOTAL CASH EXPENSES	\$315.39	\$225.54	\$112.12	\$134.12	\$255.51	\$1,177.82
RETURN OVER CASH EXPENSES	\$367.11	\$764.46	(\$112.12)	(\$62.12)	\$321.49	\$222.18
FIXED EXPENSES	\$46.37	\$40.64	\$29.76	\$15.87	\$41.27	\$747.44
TOTAL EXPENSES	\$361.76	\$266.18	\$141.88	\$149.99	\$296.78	\$1,925.26
NET FARM INCOME	\$320.74	\$723.82	(\$141.88)	(\$77.99)	\$280.22	(\$525.26)
LABOR AND MANAGEMENT COSTS	\$58.97	\$118.49	\$38.34	\$29.67	\$83.66	\$497.16
NET OPERATING PROFIT	\$261.77	\$605.33	(\$180.22)	(\$107.65)	\$196.55	(\$1,022.42)
CAPITAL COSTS						
INTEREST ON OPERATING CAPITAL	\$4.55	\$2.02		\$0.14	\$2.23	\$25.73
INTEREST ON EQUIPMENT INVESTMENT	\$20.81	\$23.00		\$0.00	\$18.38	\$219.96
TOTAL CAPITAL COSTS	\$25.37	\$25.01	\$0.00	\$0.14	\$20.61	\$245.69
RETURN TO LAND AND RISK	\$236.40	\$580.32	(\$180.22)	(\$107.79)	\$175.94	(\$1,268.11)

TABLE 12. Whole farm summary, Cibola County,
Projected 2015

GROSS RETURNS		
ALFALFA HAY CROP	200 ACRES	\$196,000
GRAZING PASTURE	40 ACRES	\$2,000
WHEAT FOR GRAIN CROP	20 ACRES	\$2,880
GRAZING STRAW		\$9,100
SWEET CORN CROP	8 ACRES	\$440
		\$2,000
		\$11,200
GROSS RETURN		<u>\$223,620</u>
CASH OPERATING EXPENSES		
SEED		\$10,659
FERTILIZER		\$3,776
CHEMICALS		\$665
CROP INSURANCE		\$0
OTHER PURCHASED INPUTS		\$9,427
CANAL WATER		\$1,475
FUEL, OIL & LUBRICANTS-EQUIPMENT		\$7,188
FUEL-IRRIGATION		\$0
REPAIRS		\$1,318
CUSTOM CHARGES		\$578
LAND TAXES		\$10,620
OTHER EXPENSES		\$27,409
TOTAL CASH EXPENSES		<u>\$73,115</u>
RETURN OVER CASH EXPENSES		\$150,505
FIXED EXPENSES		\$16,426
TOTAL EXPENSES		\$89,541
NET FARM INCOME		\$134,079
LABOR AND MANAGEMENT COSTS		\$32,085
NET OPERATING PROFIT		\$101,994
CAPITAL COSTS		
INTEREST ON OPERATING CAPITAL		\$773
INTEREST ON EQUIPMENT INVESTMENT		\$7,247
TOTAL CAPITAL COSTS		<u>\$8,020</u>
RETURN TO LAND AND RISK		<u><u>\$93,974</u></u>

LAND VALUE	RETURN TO RISK*	RETURN ON INVESTMENT**
\$1,000 /ACRE	\$84,974	25.06%
\$2,000 /ACRE	\$75,974	14.43%
\$3,000 /ACRE	\$66,974	10.13%
\$4,000 /ACRE	\$57,974	7.80%
\$5,000 /ACRE	\$48,974	6.35%

* 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)