

TABLE 1. Basic cost information for Cibola County, 2002.

Item		
Labor Wage Rate:	\$/hour	\$5.15
Purchased Inputs		
Seed:		
Alfalfa	\$/pound	\$2.90
Oats	\$/pound	\$0.23
Corn	\$/bag	\$89.75
Wheat	\$/pound	\$0.16
Pasture	\$/pound	\$2.50
Baling wire	\$/pound	\$0.37
Gopher control	\$/acre	\$1.00
Canal water	\$/acre	\$9.00
Energy:		
Diesel fuel	\$/gallon	\$1.10
Gasoline	\$/gallon	\$1.05
Electricity	cents/KwHr	5.57
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	8.00%
Land Interest Rate	percent	7.50%
Equipment Interest Rate	percent	8.00%
Real Interest Rate	percent	4.00%
Land Taxes	\$36.00 /acre (full value)	\$0.34
Personal Property Tax Rate - NR	\$/ \$1,000 (Assessed Value)	\$28.02
- R		\$24.81
Supervision Factors	\$/labor hour	\$0.50
Management Rate	percent	4.00%

BUDGET AREA..... CIBOLA COUNTY, 2002.
 FARM SIZE..... 10 ACRES
 IRRIGATION TYPE..... FLOOD
 NUMBER OF CROPS... 3

ACREAGE SUMMARY:	WATER USE		
	LAND USE (ACRES)	AC.IN. PER AC.	TOTAL AC.IN.
ALFALFA ESTABLISHMENT	0.5	18	9
ALFALFA	4.0	48	192
PASTURE ESTABLISHMENT	0.5	18	9
PASTURE	4.0	30	120
CORN	1.0	30	30
TOTAL	10.0		360
ACRE FEET PER ACRE OF WATER RIGHTS			3.00

TABLE 1a. Overhead cost information for Cibola County, 2002.

ITEM			
Electricity (Domestic & Shop)		\$0.00 per month	\$0
Telephone		\$0.00 per month	\$0
Accounting & Legal			\$130
Misc. Supplies & Hand Tools			\$245
Pickup and Auto			
miles	2,500	@ \$0.345 per mile	\$863
Insurance			
- general liability (non-employee)			\$0
- fire/theft			\$0
Property Taxes			
- non-planted land			\$0
- other than land & machinery			\$65
Building repairs and maintenance			\$110
Dues, fees, publications			\$110
Farmstead Equipment			\$0
Total			<u>\$1,523</u>
Total Per Planted Acre			\$190.31

TABLE 2. Equipment summary for a 10 acre part-time farm, Cibola County, 2002.

EQUIPMENT				VARIABLE COSTS					FIXED COSTS		
ITEM &	SIZE	ANNUAL HOURS OF USE	NUMBER	TOTAL VALUE	FUEL AND LUBRICANT	REPAIR	FUEL,LUBE PER HR	REPAIR PER HR	DEPRECIATION	TAXES	TOTAL PER HOUR
TRACTOR 40 HP		14	1	\$1,800	\$44.45	\$1.06	\$3.14	\$0.08	\$50	\$12	\$4.36
BALER 2-WIRE		8	1	\$1,500		\$1.25		\$0.15	\$385	\$36	\$51.81
DRAG 10 FT		1	1	\$250		\$0.01		\$0.01	\$20	\$2	\$28.82
DISC 6 FT		2	1	\$600		\$1.58		\$0.74	\$48	\$6	\$25.28
PLOW 2-BOTTOM		3	1	\$250		\$0.81		\$0.31	\$20	\$2	\$8.52
DRILL 10 FT. (BORROWED)		0.4	1	\$0		\$0.00		\$0.00			
BORDER DISC 6-DISC		0.1	1	\$300		\$0.04		\$0.37	\$24	\$3	\$268.02
				\$4,700	\$44.45	\$4.75			\$547	\$61	

TABLE 3. Alfalfa establishment, flood-irrigated, budgeted per acre costs and returns for a 10 acre part-time farm, Cibola County, 2002.
 Planting Dates: May 15 - July 1
 Harvest Dates: August 20 - September 10

ITEM	PRICE	YIELD							TOTAL
GROSS RETURNS									
OAT HAY	\$80.00	2.00 TONS (IN FIELD)							\$160.00
TOTAL								\$160.00	
PURCHASED INPUTS									
PURCHASED INPUTS	PRICE	QUANTITY		PURCHASED INPUTS					TOTAL
ALFALFA SEED	\$2.90	20	LBS	\$58.00				\$58.00	
OAT SEED	\$0.23	50	LBS	\$11.50				\$11.50	
WIRE	\$0.37	17	LBS	\$6.37				\$6.37	
CANAL WATER		18	AC. IN.	\$9.00				\$9.00	
SUBTOTAL				\$84.87				\$84.87	
PREHARVEST OPERATIONS									
PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE		PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
PLOW	40 HP	1.31	HR		\$6.75	\$4.12	\$0.50	\$16.88	\$28.24
DISC (2X)	40 HP	1.06	HR		\$5.46	\$3.33	\$0.87	\$31.42	\$41.08
DRAG (2X)	40 HP	0.62	HR		\$3.19	\$1.95	\$0.05	\$20.57	\$25.76
DRILL	40 HP	0.41	HR		\$2.11	\$1.29	\$0.03	\$1.79	\$5.22
BORDER DISC	40 HP	0.10	HR		\$0.52	\$0.31	\$0.04	\$27.24	\$28.11
IRRIGATE (3X)		2.25	HR		\$11.59				\$11.59
SUBTOTAL		5.75	HR		\$29.61	\$11.00	\$1.50	\$97.89	\$140.00
HARVEST OPERATIONS									
SWATHER (CUSTOM)				\$17.50					\$17.50
BALER	40 HP	0.65	HR		\$3.35	\$2.04	\$0.15	\$36.51	\$42.05
SUBTOTAL		0.65	HR	\$17.50	\$3.35	\$2.04	\$0.15	\$36.51	\$59.55
OVERHEAD EXPENSES									
DOWNTIME		2.19	HR		\$11.27				\$11.27
EMPLOYEE BENEFITS					\$3.96				\$3.96
INSURANCE				\$0.40					\$0.40
LAND TAXES							\$0.34		\$0.34
SUPERVISION AND MANAGEMENT					\$12.19				\$12.19
SUBTOTAL		2.19	HR	\$0.40	\$27.42			\$0.34	\$28.15
TOTAL OPERATING EXPENSES		8.59	HR	\$102.76	\$60.38	\$13.04	\$1.65	\$134.74	\$312.57
NET OPERATING PROFIT								(\$152.57)	
INTEREST ON OPERATING CAPITAL	(	\$47.20	@	8.00%	)				\$3.78
INTEREST ON EQUIPMENT INVESTMENT									\$127.97
RETURN TO LAND AND RISK								(\$284.31)	

TABLE 4. Alfalfa hay, flood-irrigated, budgeted per acre costs and returns for a 10 acre part-time farm, Cibola County, 2002.
Harvest Dates: June 15 - September 15

ITEM	PRICE	YIELD						TOTAL
GROSS RETURNS								
ALFALFA HAY	\$110.00	3.50	TONS (IN FIELD)					\$385.00
GRAZING	\$10.00	1.00	ACRE					\$10.00
TOTAL								\$395.00
PURCHASED INPUTS								
PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS				FIXED COST	TOTAL
WIRE ESTABLISHMENT: Principal	\$0.37	30 LBS	\$11.14					\$11.14
: Interest		10 YEARS					\$28.43	\$28.43
CANAL WATER		48 AC. IN.	\$9.00				\$20.55	\$20.55
SUBTOTAL			\$20.14				\$48.98	\$69.12
PREHARVEST OPERATIONS								
PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
IRRIGATE (6X)		3.75 HR		\$19.31				\$19.31
SUBTOTAL		3.75 HR		\$19.31	\$0.00	\$0.00	\$0.00	\$19.31
HARVEST OPERATIONS								
SWATHER (CUSTOM) (3X)			\$17.50					\$17.50
BALER (3X)	40 HP	1.95 HR		\$10.04	\$6.13	\$0.45	\$109.53	\$126.14
SUBTOTAL		1.95 HR	\$17.50	\$10.04	\$6.13	\$0.45	\$109.53	\$143.64
OVERHEAD EXPENSES								
DOWNTIME		0.49 HR		\$2.51				\$2.51
EMPLOYEE BENEFITS				\$3.52				\$3.52
INSURANCE			\$0.35					\$0.35
LAND TAXES							\$0.34	\$0.34
SUPERVISION AND MANAGEMENT				\$18.65				\$18.65
OTHER EXPENSES			\$190.31					\$190.31
SUBTOTAL		0.49 HR	\$190.66	\$24.68			\$0.34	\$215.68
TOTAL OPERATING EXPENSES		6.19 HR	\$228.31	\$54.04	\$6.13	\$0.45	\$158.84	\$447.76
NET OPERATING PROFIT								(\$52.76)
INTEREST ON OPERATING CAPITAL	(	\$12.08	@	8.00%	)			\$0.97
INTEREST ON EQUIPMENT INVESTMENT								\$87.70
RETURN TO LAND AND RISK								(\$141.43)

BUDGET SUMMARY

GROSS RETURN		\$395.00	
VARIABLE OPERATING EXPENSES	\$234.88		
RETURN OVER VARIABLE EXPENSES		\$160.12	(GROSS MARGIN)
FIXED EXPENSES	\$158.84		
NET FARM INCOME		\$1.28	(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$54.04		
NET OPERATING PROFIT		(\$52.76)	(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$88.67		
RETURN TO LAND AND RISK		(\$141.43)	

TABLE 5. Permanent pasture establishment, flood-irrigated, budgeted per acre costs and returns for a 10 acre part-time farm, Cibola County, 2002.
Planting Dates: May 15 - July 1

ITEM	PRICE	QUANTITY	PURCHASED INPUTS					TOTAL
<u>PURCHASED INPUTS</u>								
GRASS SEED	\$2.50	15 LBS		\$37.50				\$37.50
CANAL WATER		18 AC. IN.		\$9.00				\$9.00
SUBTOTAL				\$46.50				\$46.50
PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
PLOW	40 HP	1.31 HR		\$6.75	\$4.12	\$0.50	\$16.88	\$28.24
DISC (2X)	40 HP	1.06 HR		\$5.46	\$3.33	\$0.87	\$31.42	\$41.08
DRAG	40 HP	0.31 HR		\$1.60	\$0.97	\$0.03	\$10.29	\$12.88
DRILL	40 HP	0.41 HR		\$2.11	\$1.29	\$0.03	\$1.79	\$5.22
BORDER DISC	40 HP	0.10 HR		\$0.52	\$0.31	\$0.04	\$27.24	\$28.11
IRRIGATE (3X)		2.25 HR		\$11.59				\$11.59
SUBTOTAL		5.44 HR		\$28.02	\$10.02	\$1.47	\$87.61	\$127.12
<u>OVERHEAD EXPENSES</u>								
DOWNTIME		0.80 HR		\$4.11				\$4.11
EMPLOYEE BENEFITS				\$3.36				\$3.36
INSURANCE			\$0.34					\$0.34
LAND TAXES							\$0.34	\$0.34
SUPERVISION AND MANAGEMENT				\$9.66				\$9.66
SUBTOTAL		0.80 HR	\$0.34	\$17.13			\$0.34	\$17.81
TOTAL OPERATING EXPENSES		6.24 HR	\$46.84	\$45.15	\$10.02	\$1.47	\$87.95	\$191.43

TABLE 6. Permanent pasture, flood-irrigated, budgeted per acre costs and returns for a 10 acre part-time farm, Cibola County, 2002.
Harvest Dates: Year-round

ITEM	PRICE	YIELD						TOTAL
GROSS RETURNS								
PASTURE	\$12.00	5.00 AUMS						\$60.00
TOTAL								\$60.00
PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS			FIXED COST	TOTAL	
ESTABLISHMENT: Principal		20 YEARS				\$9.57	\$9.57	
: Interest						\$5.37	\$5.37	
CANAL WATER		30 AC. IN.	\$9.00				\$9.00	
SUBTOTAL			\$9.00			\$14.94	\$23.94	
PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
IRRIGATE (4X)		3.00 HR		\$15.45				\$15.45
SUBTOTAL		3.00 HR		\$15.45				\$15.45
OVERHEAD EXPENSES								
DOWNTIME		0.00 HR		\$0.00				\$0.00
EMPLOYEE BENEFITS				\$1.85				\$1.85
INSURANCE			\$0.19					\$0.19
LAND TAXES						\$0.34		\$0.34
SUPERVISION AND MANAGEMENT				\$3.90				\$3.90
OTHER EXPENSES			\$190.31					\$190.31
SUBTOTAL		0.00 HR	\$190.50	\$5.75			\$0.34	\$196.59
TOTAL OPERATING EXPENSES		3.00 HR	\$199.50	\$21.20	\$0.00	\$0.00	\$15.27	\$235.98
NET OPERATING PROFIT								(\$175.98)
INTEREST ON OPERATING CAPITAL	(	\$4.50 @	8.00%)					\$0.36
INTEREST ON EQUIPMENT INVESTMENT								\$0.00
RETURN TO LAND AND RISK								(\$176.34)

BUDGET SUMMARY

GROSS RETURN	\$60.00	
VARIABLE OPERATING EXPENSES	\$199.50	
RETURN OVER VARIABLE EXPENSES	(\$139.50)	(GROSS MARGIN)
FIXED EXPENSES	\$15.27	
NET FARM INCOME	(\$154.77)	(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$21.20	
NET OPERATING PROFIT	(\$175.98)	(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$0.36	
RETURN TO LAND AND RISK	(\$176.34)	

TABLE 7. Field corn, flood-irrigated, budgeted per acre costs and returns for a 10 acre part-time farm, Cibola County, 2002.
 Planting Dates: May 25 - June 25
 Harvest Dates: October 15 - November 20

ITEM	PRICE	YIELD							TOTAL	
GROSS RETURNS										
CORN	\$3.84	40.00 CWT							\$153.60	
TOTAL									\$153.60	
PURCHASED INPUTS		PRICE	QUANTITY		PURCHASED INPUTS			TOTAL		
CORN SEED	\$1.12		10	000	\$11.22				\$11.22	
CANAL WATER			30	AC. IN.	\$9.00				\$9.00	
SUBTOTAL					\$20.22				\$20.22	
PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE		PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL	
PLOW	40 HP	1.31	HR		\$6.75	\$4.12	\$0.50	\$16.88	\$28.24	
DISC (2X)	40 HP	1.06	HR		\$5.46	\$3.33	\$0.87	\$31.42	\$41.08	
DRAG	40 HP	0.31	HR		\$1.60	\$0.97	\$0.03	\$10.29	\$12.88	
HAND RIDGE		10.00	HR		\$51.50				\$51.50	
HAND PLANT		5.00	HR		\$25.75				\$25.75	
HAND HOE		5.00	HR		\$25.75				\$25.75	
IRRIGATE (3X)		2.25	HR		\$11.59				\$11.59	
SUBTOTAL		24.93	HR		\$128.39	\$8.42	\$1.40	\$58.58	\$196.79	
HARVEST OPERATIONS										
HAND PICK		25.00	HR		\$128.75				\$128.75	
SUBTOTAL		25.00	HR		\$128.75	\$0.00	\$0.00	\$0.00	\$128.75	
OVERHEAD EXPENSES										
DOWNTIME		0.67	HR		\$3.45				\$3.45	
EMPLOYEE BENEFITS					\$30.86				\$30.86	
INSURANCE					\$3.09				\$3.09	
LAND TAXES								\$0.34	\$0.34	
SUPERVISION AND MANAGEMENT					\$18.08				\$18.08	
OTHER EXPENSES					\$190.31				\$190.31	
SUBTOTAL		0.67	HR		\$193.40	\$52.39		\$0.34	\$246.12	
TOTAL OPERATING EXPENSES		50.60	HR		\$213.62	\$309.53	\$8.42	\$1.40	\$58.92	\$591.88
NET OPERATING PROFIT									(\$438.28)	
INTEREST ON OPERATING CAPITAL		(	\$12.56	@	8.00%	)			\$1.01
INTEREST ON EQUIPMENT INVESTMENT									\$60.94	
RETURN TO LAND AND RISK									(\$500.23)	

BUDGET SUMMARY

GROSS RETURN		\$153.60	
VARIABLE OPERATING EXPENSES	\$223.44		
RETURN OVER VARIABLE EXPENSES		(\$69.84)	(GROSS MARGIN)
FIXED EXPENSES	\$58.92		
NET FARM INCOME		(\$128.76)	(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$309.53		
NET OPERATING PROFIT		(\$438.28)	(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$61.95		
RETURN TO LAND AND RISK		(\$500.23)	

TABLE 8. Summary of per acre costs and returns, 10 acre part-time farm,
Cibola County, 2002.

	ALFALFA	ALFALFA	PERMANENT	PERMANENT	FIELD
	ESTABLISHMENT	HAY	PASTURE	PASTURE	CORN
			EST.	FLOOD	
	TONS	TONS		AUMS	CWT
PRIMARY YIELD	2.00	3.50		5.00	40.00
PRIMARY PRICE	80.00	110.00		12.00	3.84
GOVERNMENT PAYMENTS	0.00	0.00		0.00	0.00
SECOND INCOME	0.00	10.00		0.00	0.00
GROSS RETURN	\$160.00	\$395.00		\$60.00	\$153.60
CASH OPERATING EXPENSES					
SEED	\$69.50		\$37.50		\$11.22
FERTILIZER					
CHEMICALS					
CROP INSURANCE					
OTHER PURCHASED INPUTS	\$6.37	\$11.14			
CANAL WATER	\$9.00	\$9.00	\$9.00	\$9.00	\$9.00
FUEL, OIL & LUBRICANTS-EQUIPMENT	\$13.04	\$6.13	\$10.02	\$0.00	\$8.42
FUEL-IRRIGATION					
REPAIRS	\$1.65	\$0.45	\$1.47	\$0.00	\$1.40
CUSTOM CHARGES	\$17.50	\$17.50			
LAND TAXES	\$0.34	\$0.34	\$0.34	\$0.34	\$0.34
OTHER EXPENSES	\$0.40	\$190.66	\$0.34	\$190.50	\$193.40
TOTAL CASH EXPENSES	\$117.79	\$235.22	\$58.67	\$199.83	\$223.77
RETURN OVER CASH EXPENSES	\$42.21	\$159.78	(\$58.67)	(\$139.83)	(\$70.17)
FIXED EXPENSES	\$134.40	\$158.51	\$87.61	\$14.94	\$58.58
TOTAL EXPENSES	\$252.19	\$393.72	\$146.28	\$214.77	\$282.36
NET FARM INCOME	(\$92.19)	\$1.28	(\$146.28)	(\$154.77)	(\$128.76)
LABOR AND MANAGEMENT COSTS	\$60.38	\$54.04	\$45.15	\$21.20	\$309.53
NET OPERATING PROFIT	(\$152.57)	(\$52.76)	(\$191.43)	(\$175.98)	(\$438.28)
CAPITAL COSTS					
INTEREST ON OPERATING CAPITAL	\$3.78	\$0.97		\$0.36	\$1.01
INTEREST ON EQUIPMENT INVESTMENT	\$127.97	\$87.70		\$0.00	\$60.94
TOTAL CAPITAL COSTS	\$131.74	\$88.67	\$0.00	\$0.36	\$61.95
RETURN TO LAND AND RISK	(\$284.31)	(\$141.43)	(\$191.43)	(\$176.34)	(\$500.23)

TABLE 9. Whole farm summary, Cibola County, 2002.

GROSS RETURNS		
ALFALFA HAY	4 ACRES	
CROP		\$1,540
GRAZING		\$40
PASTURE	4 ACRES	
CROP		\$240
FIELD CORN	1 ACRES	
CROP		\$154
GROSS RETURN		\$1,974
CASH OPERATING EXPENSES		
SEED		\$65
FERTILIZER		\$0
CHEMICALS		\$0
CROP INSURANCE		\$0
OTHER PURCHASED INPUTS		\$48
CANAL WATER		\$90
FUEL, OIL & LUBRICANTS-EQUIPMENT		\$44
FUEL-IRRIGATION		\$0
REPAIRS		\$5
CUSTOM CHARGES		\$79
LAND TAXES		\$3
OTHER EXPENSES		\$1,718
TOTAL CASH EXPENSES		\$2,052
RETURN OVER CASH EXPENSES		(\$79)
FIXED EXPENSES		\$711
TOTAL EXPENSES		\$2,764
NET FARM INCOME		(\$790)
LABOR AND MANAGEMENT COSTS		\$663
NET OPERATING PROFIT		(\$1,453)
CAPITAL COSTS		
INTEREST ON OPERATING CAPITAL		\$8
INTEREST ON EQUIPMENT INVESTMENT		\$476
TOTAL CAPITAL COSTS		\$484
RETURN TO LAND AND RISK		(\$1,937)

LAND VALUE	RETURN TO RISK*	RETURN ON INVESTMENT**
\$1,000 /ACRE	(\$2,337)	-9.89%
\$2,500 /ACRE	(\$2,937)	-4.89%
\$4,000 /ACRE	(\$3,537)	-3.25%
\$5,500 /ACRE	(\$4,137)	-2.43%
\$7,000 /ACRE	(\$4,737)	-1.95%
\$8,500 /ACRE	(\$5,337)	-1.62%

* 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)