

TABLE 10. Summary of per acre costs and returns, 10 acre part-time farm, Cibola County
Actual 2004

	ALFALFA ESTABLISHMENT	ALFALFA HAY	PERMANENT PASTURE ESTABLISHMENT	PERMANENT PASTURE	FIELD CORN
	TONS	TONS		AUMS	CWT
PRIMARY YIELD	3.00	4.00		5.00	40.00
PRIMARY PRICE	\$110.00	\$120.00		\$12.00	\$4.02
GOVERNMENT PAYMENTS	\$0.00	\$0.00		\$0.00	\$0.00
SECOND INCOME	\$0.00	\$10.00		\$0.00	\$0.00
GROSS RETURN	\$330.00	\$490.00		\$60.00	\$160.71
CASH OPERATING EXPENSES					
SEED	\$71.10		\$33.00		\$10.63
FERTILIZER					
CHEMICALS					
CROP INSURANCE					
OTHER PURCHASED INPUTS	\$12.86	\$17.14			
CANAL WATER	\$10.00	\$10.00	\$10.00	\$10.00	\$10.00
FUEL, OIL & LUBRICANTS-EQUIPMENT	\$31.82	\$14.95	\$24.46	\$0.00	\$20.55
FUEL-IRRIGATION					
REPAIRS	\$6.22	\$2.40	\$5.09	\$0.00	\$4.09
CUSTOM CHARGES	\$17.50	\$17.50			
LAND TAXES	\$0.33	\$0.33	\$0.33	\$0.33	\$0.33
OTHER EXPENSES	\$0.40	\$205.39	\$0.34	\$205.22	\$208.12
TOTAL CASH EXPENSES	\$150.23	\$267.71	\$73.21	\$215.55	\$253.71
RETURN OVER CASH EXPENSES	\$179.77	\$222.29	(\$73.21)	(\$155.55)	(\$93.00)
FIXED EXPENSES	\$359.58	\$247.39	\$281.63	\$25.34	\$158.72
TOTAL EXPENSES	\$509.81	\$515.10	\$354.84	\$240.89	\$412.44
NET FARM INCOME	(\$179.81)	(\$25.10)	(\$354.84)	(\$180.89)	(\$251.72)
LABOR AND MANAGEMENT COSTS	\$69.84	\$57.84	\$53.49	\$21.20	\$309.81
NET OPERATING PROFIT	(\$249.65)	(\$82.94)	(\$408.34)	(\$202.10)	(\$561.53)
CAPITAL COSTS					
INTEREST ON OPERATING CAPITAL	\$3.56	\$1.03		\$0.31	\$1.03
INTEREST ON EQUIPMENT INVESTMENT	\$269.92	\$135.16		\$0.00	\$139.20
TOTAL CAPITAL COSTS	\$273.48	\$136.19	\$0.00	\$0.31	\$140.23
RETURN TO LAND AND RISK	(\$523.13)	(\$219.13)	(\$408.34)	(\$202.41)	(\$701.76)

TABLE 11. Whole farm summary, Cibola County,
Actual 2004

GROSS RETURNS		
ALFALFA HAY	4 ACRES	
CROP		\$1,920
GRAZING		\$40
PASTURE	4 ACRES	
CROP		\$240
FIELD CORN	1 ACRES	
CROP		\$161
GROSS RETURN		<u>\$2,361</u>
CASH OPERATING EXPENSES		
SEED		\$63
FERTILIZER		\$0
CHEMICALS		\$0
CROP INSURANCE		\$0
OTHER PURCHASED INPUTS		\$75
CANAL WATER		\$100
FUEL, OIL & LUBRICANTS-EQUIPMENT		\$108
FUEL-IRRIGATION		\$0
REPAIRS		\$19
CUSTOM CHARGES		\$79
LAND TAXES		\$3
OTHER EXPENSES		\$1,851
TOTAL CASH EXPENSES		<u>\$2,299</u>
RETURN OVER CASH EXPENSES		\$62
FIXED EXPENSES		\$1,279
TOTAL EXPENSES		\$3,578
NET FARM INCOME		(\$1,217)
LABOR AND MANAGEMENT COSTS		\$688
NET OPERATING PROFIT		(\$1,905)
CAPITAL COSTS		
INTEREST ON OPERATING CAPITAL		\$8
INTEREST ON EQUIPMENT INVESTMENT		\$815
TOTAL CAPITAL COSTS		<u>\$823</u>
RETURN TO LAND AND RISK		<u><u>(\$2,728)</u></u>

LAND VALUE	RETURN TO RISK*	RETURN ON INVESTMENT**
\$1,000 /ACRE	(\$3,028)	-8.33%
\$2,500 /ACRE	(\$3,478)	-5.03%
\$4,000 /ACRE	(\$3,928)	-3.60%
\$5,500 /ACRE	(\$4,378)	-2.81%
\$7,000 /ACRE	(\$4,828)	-2.30%
\$8,500 /ACRE	(\$5,278)	-1.95%

* 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)