

TABLE 1. Basic cost information for Cibola County, 2003.

| Item | | |
|---------------------------------|------------------------------|---------|
| Labor Wage Rate: | | |
| Equipment operators | \$/hour | \$6.45 |
| General & Irrigators | \$/hour | \$5.15 |
| Purchased Inputs: | | |
| Fertilizer: | | |
| Nitrogen (N) | \$/pound | \$0.36 |
| Phosphate (P205) | \$/pound | \$0.33 |
| Seed: | | |
| Alfalfa | \$/pound | \$3.00 |
| Oats | \$/pound | \$0.40 |
| Sweet Corn | \$/pound | \$7.50 |
| Wheat | \$/pound | \$0.13 |
| Pasture | \$/pound | \$2.50 |
| Baling wire | \$/pound | \$0.39 |
| Gopher control | \$/acre | \$1.50 |
| Canal water | \$/acre | \$9.00 |
| Energy: | | |
| Diesel fuel | \$/gallon | \$1.35 |
| Gasoline | \$/gallon | \$1.40 |
| Electricity | cents/KwHr | 3.78 |
| Employee Liability Insurance | \$/ \$1,000 wages | \$20.00 |
| Employee Benefits | percent/wages | 18.00% |
| Labor Downtime | percent | 25.00% |
| Financial Rates: | | |
| Operating Capital Interest Rate | percent | 8.00% |
| Land Interest Rate | percent | 7.00% |
| 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 | | |
| Field Crop-Irrigation | \$/labor hour | \$1.00 |
| Field Crop-Equipment & General | \$/labor hour | \$0.50 |
| Management Rate | percent | 7.00% |

TABLE 1a. Overhead cost information for Cibola County, 2003.

| ITEM | | | |
|------------------------------------|----------|------------------------|----------|
| Electricity (Domestic & Shop) | \$215.00 | per month | \$2,580 |
| Telephone | \$115.00 | per month | \$1,380 |
| Accounting & Legal | | | \$1,560 |
| Misc. Supplies & Hand Tools | | | \$2,570 |
| Pickup and Auto | | | |
| miles | 20,000 | @ \$0.365 per mile | \$7,300 |
| Insurance | | | |
| - general liability (non-employee) | | | \$1,715 |
| - fire/theft | | | \$1,355 |
| Property Taxes | | | |
| - non-planted land | | | \$114 |
| - other than land & machinery | | | \$610 |
| Building repairs and maintenance | | | \$1,300 |
| Dues, fees, publications | | | \$390 |
| Farmstead Equipment | | | \$165 |
| | | Total | \$21,039 |
| | | Total Per Planted Acre | \$71.80 |

TABLE 2. Equipment summary for a 300 acre farm with above average management, Cibola County, 2003.

| 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 | 32 | 1 | \$1,600 | \$136 | \$12 | \$4.19 | \$0.38 | \$50 | \$12 | \$1.91 |
| TRACTOR 65 HP | 154 | 1 | \$2,400 | \$1,046 | \$115 | \$6.81 | \$0.75 | \$138 | \$26 | \$1.06 |
| TRACTOR 93 HP | 209 | 1 | \$19,240 | \$2,083 | \$503 | \$9.95 | \$2.40 | \$1,226 | \$200 | \$6.81 |
| PICKUP 3/4 TON * | 50 | 1 | \$15,000 | \$441 | \$165 | \$8.82 | \$3.30 | \$3,000 | \$140 | \$62.80 |
| BALEWAGON PTO | 129 | 1 | \$1,650 | | \$681 | | \$5.28 | \$800 | \$75 | \$6.78 |
| BALER 2-WIRE | 135 | 1 | \$1,500 | | \$276 | | \$2.04 | \$385 | \$36 | \$3.11 |
| CULTIVATOR 4-ROW | 3 | 1 | \$1,500 | | \$6 | | \$1.86 | \$120 | \$14 | \$39.88 |
| FLOAT 10 FT | 18 | 1 | \$450 | | \$1 | | \$0.04 | \$28 | \$3 | \$1.74 |
| DISC 14 FT | 15 | 1 | \$3,000 | | \$39 | | \$2.58 | \$240 | \$28 | \$17.73 |
| LISTER 4-ROW | 1 | 1 | \$1,600 | | \$3 | | \$1.98 | \$128 | \$15 | \$99.27 |
| PLOW 3-BOTTOM | 37 | 1 | \$3,350 | | \$84 | | \$2.28 | \$268 | \$31 | \$8.12 |
| DRILL 12 FT. | 10 | 1 | \$2,200 | | \$17 | | \$1.67 | \$220 | \$21 | \$24.37 |
| SPRAYER (MTD) 12 FT | 4 | 1 | \$1,375 | | \$2 | | \$0.66 | \$138 | \$13 | \$41.76 |
| SWATHER 16 FT. | 69 | 1 | \$30,700 | \$347 | \$299 | \$5.05 | \$4.34 | \$3,621 | \$338 | \$57.58 |
| BORDER DISC 6-DISC | 2 | 1 | \$300 | | \$1 | | \$0.37 | \$24 | \$3 | \$11.41 |
| FERT SPREADER | 10 | 1 | \$2,300 | | \$14 | | \$1.38 | \$230 | \$21 | \$24.18 |
| | | | \$88,165 | \$4,053 | \$2,218 | | | \$10,615 | \$976 | |

* 1/4 CHARGED DIRECTLY TO CROP.

TABLE 3. Alfalfa establishment, flood-irrigated, budgeted per acre costs and returns for a 300 acre farm with above average management, Cibola County, 2003.
Planting Dates: May 15 - July 1

| ITEM | PRICE | YIELD | | | | | | | TOTAL | |
|----------------------------------|------------|---------------------|----------------|------------------|-----------------|----------------|----------------|----------------|-----------------|----------------|
| GROSS RETURNS | | | | | | | | | | |
| OAT HAY | \$130.00 | 3.50 | TONS (STACKED) | | | | | | | \$455.00 |
| TOTAL | | | | | | | | | \$455.00 | |
| PURCHASED INPUTS | | | | | | | | | | |
| PURCHASED INPUTS | PRICE | QUANTITY | | PURCHASED INPUTS | | | | | | TOTAL |
| ALFALFA SEED | \$3.00 | 20 | LBS | \$60.00 | | | | | | \$60.00 |
| OAT SEED | \$0.40 | 30 | LBS | \$12.00 | | | | | | \$12.00 |
| CANAL WATER | | 18 | AC. IN. | \$9.00 | | | | | | \$9.00 |
| SUBTOTAL | | | | \$81.00 | | | | | | \$81.00 |
| PREHARVEST OPERATIONS | | | | | | | | | | |
| PREHARVEST OPERATIONS | POWER UNIT | ACCOMPLISHMENT RATE | | PURCHASED INPUTS | LABOR | FUEL & LUBE | REPAIRS | FIXED COST | TOTAL | |
| PLOW | 93 HP | 0.67 | HR | | \$4.32 | \$6.67 | \$3.14 | \$10.01 | \$24.13 | |
| DISC (2X) | 93 HP | 0.28 | HR | | \$1.81 | \$2.79 | \$1.40 | \$6.87 | \$12.86 | |
| FLOAT | 93 HP | 0.24 | HR | | \$1.55 | \$2.39 | \$0.59 | \$2.05 | \$6.57 | |
| DRILL | 65 HP | 0.21 | HR | | \$1.35 | \$1.43 | \$0.51 | \$5.34 | \$8.63 | |
| BORDER DISC | 40 HP | 0.05 | HR | | \$0.32 | \$0.21 | \$0.04 | \$0.67 | \$1.23 | |
| IRRIGATE (3X) | | 1.50 | HR | | \$7.73 | | | | \$7.73 | |
| SUBTOTAL | | 2.95 HR | | | \$17.08 | \$13.48 | \$5.66 | \$24.94 | \$61.15 | |
| HARVEST OPERATIONS | | | | | | | | | | |
| SWATHER | 16 FT | 0.11 | HR | | \$0.71 | \$0.56 | \$0.48 | \$6.33 | \$8.08 | |
| BALER, 2-WIRE | 65 HP | 0.21 | HR | | \$1.35 | \$1.43 | \$0.59 | \$0.88 | \$4.25 | |
| BALEWAGON | 93 HP | 0.20 | HR | | \$1.29 | \$1.99 | \$1.54 | \$2.72 | \$7.53 | |
| SUBTOTAL | | 0.52 HR | | | \$3.35 | \$3.98 | \$2.60 | \$9.93 | \$19.86 | |
| OVERHEAD EXPENSES | | | | | | | | | | |
| DOWNTIME | | 1.26 | HR | | \$8.09 | | | | \$8.09 | |
| EMPLOYEE BENEFITS | | | | | \$3.68 | | | | \$3.68 | |
| INSURANCE | | | | \$0.41 | | | | | \$0.41 | |
| LAND TAXES | | | | | | | \$0.34 | | \$0.34 | |
| SUPERVISION AND MANAGEMENT | | | | | \$12.44 | | | | \$12.44 | |
| OTHER EXPENSES | | | | \$71.80 | | | | | \$71.80 | |
| SUBTOTAL | | 1.26 HR | | | \$72.21 | \$24.21 | | \$0.34 | \$96.76 | |
| TOTAL OPERATING EXPENSES | | 4.73 HR | | | \$153.21 | \$44.64 | \$17.45 | \$8.26 | \$35.20 | |
| NET OPERATING PROFIT | | | | | | | | | \$196.23 | |
| INTEREST ON OPERATING CAPITAL | (| \$45.83 | @ | 8.00% |) | | | | | \$3.67 |
| INTEREST ON EQUIPMENT INVESTMENT | | | | | | | | | | \$32.20 |
| RETURN TO LAND AND RISK | | | | | | | | | \$160.36 | |

TABLE 4. Alfalfa hay, flood-irrigated, budgeted per acre costs and returns for a 300 acre farm with above average management, Cibola County, 2003.
Harvesting Dates: June 15 - September 15

| ITEM | PRICE | YIELD | | | | | | TOTAL | | |
|----------------------------------|------------|---------------------|---|-----------------|----------------|----------------|----------------|-----------------|-----------------|----------------|
| GROSS RETURNS | | | | | | | | | | |
| ALFALFA HAY | \$140.00 | 4.00 | TONS (STACKED) | | | | | \$560.00 | | |
| GRAZING | \$10.00 | 1.00 | ACRE | | | | | \$10.00 | | |
| TOTAL | | | | | | | | \$570.00 | | |
| PURCHASED INPUTS | | | | | | | | | | |
| PURCHASED INPUTS | PRICE | QUANTITY | PURCHASED INPUTS | | | | | FIXED COST | TOTAL | |
| PHOSPHATE (P2O5) | \$0.33 | 40 | LBS | \$13.20 | | | | | \$13.20 | |
| WIRE | \$0.39 | 34 | LBS | \$13.37 | | | | | \$13.37 | |
| GOPHER CONTROL | \$1.50 | 1 | ACRE | \$1.50 | | | | | \$1.50 | |
| ESTABLISHMENT: Principal | | 8 | YEARS | | | | | | \$0.00 | |
| : Interest | | | | | | | | | \$0.00 | |
| CANAL WATER | | 42 | AC. IN. | \$9.00 | | | | | \$9.00 | |
| SUBTOTAL | | | | \$37.07 | | | | | \$0.00 | \$37.07 |
| PREHARVEST OPERATIONS | | | | | | | | | | |
| PREHARVEST OPERATIONS | POWER UNIT | ACCOMPLISHMENT RATE | PURCHASED INPUTS | LABOR | FUEL & LUBE | REPAIRS | FIXED COST | TOTAL | | |
| FERT SPREADER | 93 HP | 0.05 | HR | \$0.32 | \$0.50 | \$0.19 | \$1.55 | \$2.56 | | |
| GOPHER CONTROL | 40 HP | 0.15 | HR | \$0.97 | \$0.63 | \$0.06 | \$0.29 | \$1.94 | | |
| IRRIGATE (6X) | | 3.00 | HR | \$15.45 | | | | \$15.45 | | |
| SUBTOTAL | | | | \$16.74 | \$1.13 | \$0.25 | \$1.84 | \$19.95 | | |
| HARVEST OPERATIONS | | | | | | | | | | |
| SWATHER (3X) | 16 FT. | 0.33 | HR | \$2.13 | \$1.67 | \$1.43 | \$19.00 | \$24.23 | | |
| BALER (3X) | 65 HP | 0.63 | HR | \$4.06 | \$4.29 | \$1.76 | \$2.63 | \$12.74 | | |
| BALEWAGON (3X) | 93 HP | 0.60 | HR | \$3.87 | \$5.97 | \$4.61 | \$8.16 | \$22.60 | | |
| SUBTOTAL | | | | \$10.06 | \$11.93 | \$7.80 | \$29.78 | \$59.57 | | |
| OVERHEAD EXPENSES | | | | | | | | | | |
| DOWNTIME | | 0.43 | HR | \$2.76 | | | | | \$2.76 | |
| EMPLOYEE BENEFITS | | | | \$4.82 | | | | | \$4.82 | |
| INSURANCE | | | | \$0.54 | | | | | \$0.54 | |
| LAND TAXES | | | | | | | | | \$0.34 | |
| SUPERVISION AND MANAGEMENT | | | | \$43.76 | | | | | \$43.76 | |
| OTHER EXPENSES | | | | \$71.80 | | | | | \$71.80 | |
| SUBTOTAL | | | | \$72.34 | \$51.34 | | | \$0.34 | \$124.01 | |
| TOTAL OPERATING EXPENSES | | 5.19 | HR | \$109.41 | \$78.14 | \$13.05 | \$8.05 | \$31.96 | \$240.60 | |
| NET OPERATING PROFIT | | | | | | | | \$329.40 | | |
| INTEREST ON OPERATING CAPITAL | (| \$20.52 | @ | 8.00% | | | | | \$1.64 | |
| INTEREST ON EQUIPMENT INVESTMENT | | | | | | | | \$25.89 | | |
| RETURN TO LAND AND RISK | | | | | | | | \$301.87 | | |
| BUDGET SUMMARY | | | | | | | | | | |
| GROSS RETURN | | \$570.00 | | | | | | | | |
| VARIABLE OPERATING EXPENSES | \$130.51 | | | | | | | | | |
| RETURN OVER VARIABLE EXPENSES | | \$439.49 | (GROSS MARGIN) | | | | | | | |
| FIXED EXPENSES | \$31.96 | | | | | | | | | |
| NET FARM INCOME | | \$407.54 | (RETURN TO CAPITAL, LABOR, LAND & RISK) | | | | | | | |
| LABOR AND MANAGEMENT COST | \$78.14 | | | | | | | | | |
| NET OPERATING PROFIT | | \$329.40 | (RETURN TO CAPITAL, LAND & RISK) | | | | | | | |
| CAPITAL COSTS | \$27.53 | | | | | | | | | |
| RETURN TO LAND AND RISK | | \$301.87 | | | | | | | | |

TABLE 5. Permanent pasture establishment, flood-irrigated, budgeted per acre costs and returns for a 300 acre farm with above average management, Cibola County, 2003.
Planting Dates: May 15 - July 1

| ITEM | PRICE | QUANTITY | PURCHASED INPUTS | | | | | TOTAL |
|------------------------------|-------------------|----------------------------|-------------------------|--------------|------------------------|----------------|-------------------|--------------|
| <u>PURCHASED INPUTS</u> | | | | | | | | |
| GRASS SEED | \$2.50 | 15 LBS | | | | | | \$37.50 |
| CANAL WATER | | 18 AC. IN. | | | | | | \$9.00 |
| SUBTOTAL | | | | | | | | \$46.50 |
| <u>PREHARVEST OPERATIONS</u> | <u>POWER UNIT</u> | <u>ACCOMPLISHMENT RATE</u> | <u>PURCHASED INPUTS</u> | <u>LABOR</u> | <u>FUEL & LUBE</u> | <u>REPAIRS</u> | <u>FIXED COST</u> | <u>TOTAL</u> |
| PLOW | 93 HP | 0.67 HR | | \$4.32 | \$6.67 | \$3.14 | \$10.01 | \$24.13 |
| DISC (2X) | 93 HP | 0.14 HR | | \$0.90 | \$1.39 | \$0.70 | \$3.44 | \$6.43 |
| FLOAT | 93 HP | 0.24 HR | | \$1.55 | \$2.39 | \$0.59 | \$2.05 | \$6.57 |
| DRILL | 65 HP | 0.21 HR | | \$1.35 | \$1.43 | \$0.51 | \$5.34 | \$8.63 |
| BORDER DISC | 40 HP | 0.05 HR | | \$0.32 | \$0.21 | \$0.04 | \$0.67 | \$1.23 |
| IRRIGATE (3X) | | 1.50 HR | | \$7.73 | | | | \$7.73 |
| SUBTOTAL | | 2.81 HR | | \$16.17 | \$12.08 | \$4.97 | \$21.50 | \$54.73 |
| <u>OVERHEAD EXPENSES</u> | | | | | | | | |
| DOWNTIME | | 0.33 HR | | \$2.11 | | | | \$2.11 |
| EMPLOYEE BENEFITS | | | | \$2.91 | | | | \$2.91 |
| INSURANCE | | | \$0.32 | | | | | \$0.32 |
| LAND TAXES | | | | | | | \$0.34 | \$0.34 |
| SUPERVISION AND MANAGEMENT | | | | \$9.24 | | | | \$9.24 |
| SUBTOTAL | | 0.33 HR | \$0.32 | \$14.26 | | | \$0.34 | \$14.92 |
| TOTAL OPERATING EXPENSES | | 3.14 HR | \$46.82 | \$30.44 | \$12.08 | \$4.97 | \$21.84 | \$116.15 |

TABLE 6. Permanent pasture, flood-irrigated, budgeted per acre costs and returns for a 300 acre farm with above average management, Cibola County, 2003.
Harvesting Dates: September 30 - June 30

| ITEM | PRICE | YIELD | | | | | | TOTAL |
|--|------------|---------------------|------------------|---------|-------------|---------|------------|-----------|
| GROSS RETURNS | | | | | | | | |
| PASTURE | \$12.00 | 6.00 | AUMS | | | | | \$72.00 |
| TOTAL | | | | | | | | \$72.00 |
| <hr/> | | | | | | | | |
| PURCHASED INPUTS | PRICE | QUANTITY | PURCHASED INPUTS | | | | FIXED COST | TOTAL |
| LIVESTOCK FAC & EQUIP ESTABLISHMENT: Principal | | 20 | YEARS | | | | \$3.00 | \$3.00 |
| : Interest | | | | | | | \$5.81 | \$5.81 |
| CANAL WATER | | 30 | AC. IN. | \$9.00 | | | \$4.89 | \$4.89 |
| | | | | | | | | \$9.00 |
| SUBTOTAL | | | | \$9.00 | | | \$13.70 | \$22.70 |
| <hr/> | | | | | | | | |
| PREHARVEST OPERATIONS | POWER UNIT | ACCOMPLISHMENT RATE | PURCHASED INPUTS | LABOR | FUEL & LUBE | REPAIRS | FIXED COST | TOTAL |
| IRRIGATE (5X) | | 2.50 | HR | | \$12.88 | | | \$12.88 |
| SUBTOTAL | | 2.50 | HR | | \$12.88 | | | \$12.88 |
| <hr/> | | | | | | | | |
| OVERHEAD EXPENSES | | | | | | | | |
| DOWNTIME | | 0.00 | HR | | \$0.00 | | | \$0.00 |
| EMPLOYEE BENEFITS | | | | | \$2.32 | | | \$2.32 |
| INSURANCE | | | | \$0.26 | | | | \$0.26 |
| LAND TAXES | | | | | | | \$0.34 | \$0.34 |
| SUPERVISION AND MANAGEMENT | | | | | \$7.54 | | | \$7.54 |
| OTHER EXPENSES | | | | \$71.80 | | | | \$71.80 |
| SUBTOTAL | | 0.00 | HR | \$72.06 | \$9.86 | | \$0.34 | \$82.26 |
| <hr/> | | | | | | | | |
| TOTAL OPERATING EXPENSES | | 2.50 | HR | \$81.06 | \$22.73 | \$0.00 | \$0.00 | \$117.83 |
| <hr/> | | | | | | | | |
| NET OPERATING PROFIT | | | | | | | | (\$45.83) |
| INTEREST ON OPERATING CAPITAL | (| \$4.50 | @ | 8.00% |) | | | \$0.36 |
| INTEREST ON EQUIPMENT INVESTMENT | | | | | | | | \$0.00 |
| <hr/> | | | | | | | | |
| RETURN TO LAND AND RISK | | | | | | | | (\$46.19) |

BUDGET SUMMARY

| | | | |
|-------------------------------|---------|-----------|---|
| GROSS RETURN | | \$72.00 | |
| VARIABLE OPERATING EXPENSES | \$81.06 | | |
| RETURN OVER VARIABLE EXPENSES | | (\$9.06) | (GROSS MARGIN) |
| FIXED EXPENSES | \$14.03 | | |
| NET FARM INCOME | | (\$23.10) | (RETURN TO CAPITAL, LABOR, LAND & RISK) |
| LABOR AND MANAGEMENT COST | \$22.73 | | |
| NET OPERATING PROFIT | | (\$45.83) | (RETURN TO CAPITAL, LAND & RISK) |
| CAPITAL COSTS | \$0.36 | | |
| RETURN TO LAND AND RISK | | (\$46.19) | |

TABLE 7. Wheat for grain, flood-irrigated, budgeted per acre costs and returns for a 300 acre farm with above average management, Cibola County, 2003.
 Planting Dates: August 1 - September 30
 Harvesting Dates: July 1 - August 15

| ITEM | PRICE | YIELD | | | | | | TOTAL | | | | | | |
|----------------------------------|------------|---------------------|---|------------------|----------------|----------------|---------------|-----------------|-----------------|----------------|---------------|-----------------|----------------|----------------|
| GROSS RETURNS | | | | | | | | | | | | | | |
| GRAIN | \$3.45 | 50.00 | BUSHEL | | | | | \$172.50 | | | | | | |
| GRAZING | \$11.00 | 2.00 | AUMS | | | | | \$22.00 | | | | | | |
| STRAW | \$2.00 | 50.00 | BALE | | | | | \$100.00 | | | | | | |
| TOTAL | | | | | | | | \$294.50 | | | | | | |
| PURCHASED INPUTS | | | | | | | | | | | | | | |
| PURCHASED INPUTS | PRICE | QUANTITY | | PURCHASED INPUTS | | | | | TOTAL | | | | | |
| SEED | \$0.13 | 80 | LBS | \$10.40 | | | | | \$10.40 | | | | | |
| BALING WIRE | \$0.39 | 14 | LBS | \$5.57 | | | | | \$5.57 | | | | | |
| CANAL WATER | | 24 | ACRE IN. | \$9.00 | | | | | \$9.00 | | | | | |
| SUBTOTAL | | | | | | | | \$24.97 | | | | | | |
| PREHARVEST OPERATIONS | | | | | | | | | | | | | | |
| PREHARVEST OPERATIONS | POWER UNIT | ACCOMPLISHMENT RATE | | PURCHASED INPUTS | LABOR | FUEL & LUBE | REPAIRS | FIXED COST | TOTAL | | | | | |
| PLOW | 93 HP | 0.67 | HR | | \$4.32 | \$6.67 | \$3.14 | \$10.01 | \$24.13 | | | | | |
| DISC (2X) | 93 HP | 0.28 | HR | | \$1.81 | \$2.79 | \$1.40 | \$6.87 | \$12.86 | | | | | |
| FLOAT (2X) | 93 HP | 0.48 | HR | | \$3.10 | \$4.78 | \$1.17 | \$4.10 | \$13.15 | | | | | |
| DRILL | 65 HP | 0.21 | HR | | \$1.35 | \$1.43 | \$0.51 | \$5.34 | \$8.63 | | | | | |
| BORDER DISC | 40 HP | 0.05 | HR | | \$0.32 | \$0.21 | \$0.04 | \$0.67 | \$1.23 | | | | | |
| IRRIGATE (4X) | | 2.00 | HR | | \$10.30 | | | | \$10.30 | | | | | |
| SUBTOTAL | | | | | | | | 3.69 HR | \$21.20 | \$15.87 | \$6.25 | \$26.99 | \$70.30 | |
| HARVEST OPERATIONS | | | | | | | | | | | | | | |
| COMBINE (CUSTOM) | | | | | \$16.57 | | | | \$16.57 | | | | | |
| HAUL (CUSTOM) | | | | | \$9.50 | | | | \$9.50 | | | | | |
| BALER, 2-WIRE | 65 HP | 0.21 | HR | | \$1.35 | \$1.43 | \$0.59 | \$0.88 | \$4.25 | | | | | |
| BALE WAGON | 93 HP | 0.20 | HR | | \$1.29 | \$1.99 | \$1.54 | \$2.72 | \$7.53 | | | | | |
| SUBTOTAL | | | | | | | | 0.41 HR | \$26.07 | \$2.64 | \$3.42 | \$2.12 | \$3.59 | \$37.85 |
| OVERHEAD EXPENSES | | | | | | | | | | | | | | |
| DOWNTIME | | 0.53 | HR | | \$3.39 | | | | \$3.39 | | | | | |
| EMPLOYEE BENEFITS | | | | | \$4.29 | | | | \$4.29 | | | | | |
| INSURANCE | | | | | \$0.48 | | | | \$0.48 | | | | | |
| LAND TAXES | | | | | | | | \$0.34 | \$0.34 | | | | | |
| SUPERVISION AND MANAGEMENT | | | | | \$23.67 | | | | \$23.67 | | | | | |
| OTHER EXPENSES | | | | | \$71.80 | | | | \$71.80 | | | | | |
| SUBTOTAL | | | | | | | | 0.53 HR | \$72.28 | \$31.34 | \$0.34 | \$103.96 | | |
| TOTAL OPERATING EXPENSES | | 4.63 HR | | \$123.32 | \$55.19 | \$19.28 | \$8.37 | \$30.92 | \$237.09 | | | | | |
| NET OPERATING PROFIT | | | | | | | | \$57.41 | | | | | | |
| INTEREST ON OPERATING CAPITAL | (| \$20.65 | @ | 8.00% |) | | | | \$1.65 | | | | | |
| INTEREST ON EQUIPMENT INVESTMENT | | | | | | | | | \$29.91 | | | | | |
| RETURN TO LAND AND RISK | | | | | | | | \$25.86 | | | | | | |
| BUDGET SUMMARY | | | | | | | | | | | | | | |
| GROSS RETURN | | | | \$294.50 | | | | | | | | | | |
| VARIABLE OPERATING EXPENSES | \$150.98 | | | | | | | | | | | | | |
| RETURN OVER VARIABLE EXPENSES | | \$143.52 | (GROSS MARGIN) | | | | | | | | | | | |
| FIXED EXPENSES | \$30.92 | | | | | | | | | | | | | |
| NET FARM INCOME | | \$112.60 | (RETURN TO CAPITAL, LABOR, LAND & RISK) | | | | | | | | | | | |
| LABOR AND MANAGEMENT COST | \$55.19 | | | | | | | | | | | | | |
| NET OPERATING PROFIT | | \$57.41 | (RETURN TO CAPITAL, LAND & RISK) | | | | | | | | | | | |
| CAPITAL COSTS | \$31.56 | | | | | | | | | | | | | |
| RETURN TO LAND AND RISK | | | \$25.86 | | | | | | | | | | | |

TABLE 8. Sweet corn, flood-irrigated, budgeted per acre costs and returns for a 300 acre farm with above average management, Cibola County, 2003.

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 | | | | | TOTAL |
| SEED | \$7.50 | 13 | LBS | \$93.75 | | | | | \$93.75 |
| NITROGEN (N) | \$0.36 | 120 | LBS | \$43.20 | | | | | \$43.20 |
| PHOSPHATE (P2O5) | \$0.33 | 45 | LBS | \$14.85 | | | | | \$14.85 |
| HERBICIDE | \$19.28 | 1 | ACRE | \$19.28 | | | | | \$19.28 |
| INSECTICIDE | \$13.18 | 2 | X/ACRE | \$26.36 | | | | | \$26.36 |
| CANAL WATER | | 30 | AC. IN. | \$9.00 | | | | | \$9.00 |
| SUBTOTAL | | | | \$206.44 | | | | | \$206.44 |
| PREHARVEST OPERATIONS | | | | | | | | | |
| | POWER UNIT | ACCOMPLISHMENT RATE | | PURCHASED INPUTS | LABOR | FUEL & LUBE | REPAIRS | FIXED COST | TOTAL |
| DISC | 93 HP | 0.14 | HR | | \$0.90 | \$1.39 | \$0.70 | \$3.44 | \$6.43 |
| PLOW | 93 HP | 0.67 | HR | | \$4.32 | \$6.67 | \$3.14 | \$10.01 | \$24.13 |
| SPRAY | 65 HP | 0.15 | HR | | \$0.97 | \$1.02 | \$0.21 | \$6.42 | \$8.62 |
| FERT SPREADER | 93 HP | 0.05 | HR | | \$0.32 | \$0.50 | \$0.19 | \$1.55 | \$2.56 |
| DISC | 93 HP | 0.14 | HR | | \$0.90 | \$1.39 | \$0.70 | \$3.44 | \$6.43 |
| FLOAT | 93 HP | 0.24 | HR | | \$1.55 | \$2.39 | \$0.59 | \$2.05 | \$6.57 |
| LISTER | 65 HP | 0.18 | HR | | \$1.16 | \$1.23 | \$0.49 | \$18.06 | \$20.94 |
| PRE-IRRIGATE | | 0.75 | HR | | \$3.86 | | | | \$3.86 |
| HAND PLANT | | 5.00 | HR | | \$25.75 | | | | \$25.75 |
| SPRAY (2X) | 65 HP | 0.30 | HR | | \$1.94 | \$2.04 | \$0.42 | \$12.85 | \$17.25 |
| CULTIVATOR (2X) | 65 HP | 0.42 | HR | | \$2.71 | \$2.86 | \$1.10 | \$17.20 | \$23.86 |
| IRRIGATE (4X) | | 2.00 | HR | | \$10.30 | | | | \$10.30 |
| SUBTOTAL | | 10.04 | HR | | \$54.68 | \$19.48 | \$7.53 | \$75.01 | \$156.70 |
| HARVEST OPERATIONS | | | | | | | | | |
| HAND PICK | | 25.00 | HR | | \$128.75 | | | | \$128.75 |
| HAUL | 3/4 TON | 6.25 | HR | | \$40.31 | \$55.13 | \$20.63 | \$392.51 | \$508.58 |
| SUBTOTAL | | 31.25 | HR | | \$169.06 | \$55.13 | \$20.63 | \$392.51 | \$637.33 |
| OVERHEAD EXPENSES | | | | | | | | | |
| DOWNTIME | | 3.26 | HR | | \$21.04 | | | | \$21.04 |
| EMPLOYEE BENEFITS | | | | | \$40.27 | | | | \$40.27 |
| INSURANCE | | | | | \$4.47 | | | | \$4.47 |
| LAND TAXES | | | | | | | \$0.34 | | \$0.34 |
| SUPERVISION AND MANAGEMENT | | | | | \$107.28 | | | | \$107.28 |
| OTHER EXPENSES | | | | | \$71.80 | | | | \$71.80 |
| SUBTOTAL | | 3.26 | HR | | \$76.28 | \$168.59 | | \$0.34 | \$245.21 |
| TOTAL OPERATING EXPENSES | | 13.30 | HR | | \$282.72 | \$392.34 | \$74.61 | \$28.15 | \$467.85 |
| NET OPERATING PROFIT | | | | | | | | | \$154.33 |
| INTEREST ON OPERATING CAPITAL | (| \$116.29 | @ | 8.00% |) | | | | \$9.30 |
| INTEREST ON EQUIPMENT INVESTMENT | | | | | | | | | \$216.99 |
| RETURN TO LAND AND RISK | | | | | | | | | (\$71.97) |
| BUDGET SUMMARY | | | | | | | | | |
| GROSS RETURN | | \$1,400.00 | | | | | | | |
| VARIABLE OPERATING EXPENSES | \$385.48 | | | | | | | | |
| RETURN OVER VARIABLE EXPENSES | | \$1,014.52 | (GROSS MARGIN) | | | | | | |
| FIXED EXPENSES | \$467.85 | | | | | | | | |
| NET FARM INCOME | | \$546.66 | (RETURN TO CAPITAL, LABOR, LAND & RISK) | | | | | | |
| LABOR AND MANAGEMENT COST | \$392.34 | | | | | | | | |
| NET OPERATING PROFIT | | \$154.33 | (RETURN TO CAPITAL, LAND & RISK) | | | | | | |
| CAPITAL COSTS | \$226.30 | | | | | | | | |
| RETURN TO LAND AND RISK | | (\$71.97) | | | | | | | |

TABLE 9. Summary of per acre costs and returns, 300 acre farm with above average management, Cibola County, 2002.

| | ALFALFA ESTABLISHMENT | ALFALFA HAY | PERMANENT PASTURE EST. | PERMANENT PASTURE FLOOD | WHEAT FOR GRAIN | SWEET CORN |
|----------------------------------|--------------------------|----------------|------------------------------|-------------------------------|-----------------------|---------------|
| | TONS | TONS | | AUMS | BU | DOZ |
| PRIMARY YIELD | 3.50 | 4.00 | | 6.00 | 50.00 | 700.00 |
| PRIMARY PRICE | 130.00 | 140.00 | | 12.00 | 3.45 | 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 | \$455.00 | \$570.00 | | \$72.00 | \$294.50 | \$1,400.00 |
| CASH OPERATING EXPENSES | | | | | | |
| SEED | \$72.00 | | \$37.50 | | \$10.40 | \$93.75 |
| FERTILIZER | | \$13.20 | | | | \$58.05 |
| CHEMICALS | | \$1.50 | | | | \$45.64 |
| CROP INSURANCE | | | | | \$0.00 | |
| OTHER PURCHASED INPUTS | | \$13.37 | | | \$5.57 | |
| CANAL WATER | \$9.00 | \$9.00 | \$9.00 | \$9.00 | \$9.00 | \$9.00 |
| FUEL, OIL & LUBRICANTS-EQUIPMENT | \$17.45 | \$13.05 | \$12.08 | \$0.00 | \$19.28 | \$74.61 |
| FUEL-IRRIGATION | | | | | | |
| REPAIRS | \$8.26 | \$8.05 | \$4.97 | \$0.00 | \$8.37 | \$28.15 |
| CUSTOM CHARGES | | | | | \$26.07 | |
| LAND TAXES | \$0.34 | \$0.34 | \$0.34 | \$0.34 | \$0.34 | \$0.34 |
| OTHER EXPENSES | \$72.21 | \$72.34 | \$0.32 | \$72.06 | \$72.28 | \$76.28 |
| TOTAL CASH EXPENSES | \$179.27 | \$130.84 | \$64.21 | \$81.40 | \$151.32 | \$385.82 |
| RETURN OVER CASH EXPENSES | \$275.73 | \$439.16 | (\$64.21) | (\$9.40) | \$143.18 | \$1,014.18 |
| FIXED EXPENSES | \$34.86 | \$31.62 | \$21.50 | \$13.70 | \$30.58 | \$467.52 |
| TOTAL EXPENSES | \$214.13 | \$162.46 | \$85.71 | \$95.10 | \$181.90 | \$853.34 |
| NET FARM INCOME | \$240.87 | \$407.54 | (\$85.71) | (\$23.10) | \$112.60 | \$546.66 |
| LABOR AND MANAGEMENT COSTS | \$44.64 | \$78.14 | \$30.44 | \$22.73 | \$55.19 | \$392.34 |
| NET OPERATING PROFIT | \$196.23 | \$329.40 | (\$116.15) | (\$45.83) | \$57.41 | \$154.33 |
| CAPITAL COSTS | | | | | | |
| INTEREST ON OPERATING CAPITAL | \$3.67 | \$1.64 | | \$0.36 | \$1.65 | \$9.30 |
| INTEREST ON EQUIPMENT INVESTMENT | \$32.20 | \$25.89 | | \$0.00 | \$29.91 | \$216.99 |
| TOTAL CAPITAL COSTS | \$35.87 | \$27.53 | \$0.00 | \$0.36 | \$31.56 | \$226.30 |
| RETURN TO LAND AND RISK | \$160.36 | \$301.87 | (\$116.15) | (\$46.19) | \$25.86 | (\$71.97) |

TABLE 10. Whole farm summary, Cibola County, 2002.

| | | |
|----------------------------------|-----------|-----------|
| GROSS RETURNS | | |
| ALFALFA HAY | 200 ACRES | |
| CROP | | \$112,000 |
| GRAZING | | \$2,000 |
| PASTURE | 40 ACRES | |
| GRAZING | | \$2,880 |
| WHEAT FOR GRAIN | 20 ACRES | |
| CROP | | \$3,450 |
| GRAZING | | \$440 |
| STRAW | | \$2,000 |
| SWEET CORN | 8 ACRES | |
| CROP | | \$11,200 |
| GROSS RETURN | | \$133,970 |
| CASH OPERATING EXPENSES | | |
| SEED | | \$2,833 |
| FERTILIZER | | \$3,104 |
| CHEMICALS | | \$665 |
| CROP INSURANCE | | \$0 |
| OTHER PURCHASED INPUTS | | \$2,785 |
| CANAL WATER | | \$2,655 |
| FUEL, OIL & LUBRICANTS-EQUIPMENT | | \$4,053 |
| FUEL-IRRIGATION | | \$0 |
| REPAIRS | | \$2,218 |
| CUSTOM CHARGES | | \$521 |
| LAND TAXES | | \$99 |
| OTHER EXPENSES | | \$21,212 |
| TOTAL CASH EXPENSES | | \$40,147 |
| RETURN OVER CASH EXPENSES | | \$93,823 |
| FIXED EXPENSES | | \$11,906 |
| TOTAL EXPENSES | | \$52,053 |
| NET FARM INCOME | | \$81,917 |
| LABOR AND MANAGEMENT COSTS | | \$21,956 |
| NET OPERATING PROFIT | | \$59,960 |
| CAPITAL COSTS | | |
| INTEREST ON OPERATING CAPITAL | | \$542 |
| INTEREST ON EQUIPMENT INVESTMENT | | \$8,317 |
| TOTAL CAPITAL COSTS | | \$8,859 |
| RETURN TO LAND AND RISK | | \$51,101 |

| LAND VALUE | RETURN TO RISK* | RETURN ON INVESTMENT** |
|---------------|-----------------|------------------------|
| \$1,000 /ACRE | \$39,101 | 15.45% |
| \$2,000 /ACRE | \$27,101 | 8.71% |
| \$3,000 /ACRE | \$15,101 | 6.07% |
| \$4,000 /ACRE | \$3,101 | 4.65% |
| \$5,000 /ACRE | (\$8,899) | 3.78% |

* 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)