

TABLE 1. Basic cost information for Grant and Catron Counties, 2003.

Item			
Labor Wage Rate:			
Equipment operators	\$/hour		\$6.45
General & Irrigators	\$/hour		\$5.90
Purchased Inputs:			
Seed:			
Alfalfa	\$/pound		\$3.00
Wheat	\$/pound		\$0.13
Pasture	\$/pound		\$2.50
Canal Water (Maintenance)	\$/acre		\$10.00
Baling Wire	\$/lb		\$0.39
Energy:			
Butane	\$/MCF		\$1.16
Diesel fuel	\$/gallon		\$1.30
Gasoline	\$/gallon		\$1.35
Electricity	cents/KwHr		6.29
Natural Gas	\$/MCF		\$3.28
Employee Liability Insurance	e	\$/1,000 wages	\$20.00
Employee Benefits		percent/w ages	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	\$390.00	/acre (full value)	\$2.02
Personal Property Tax Rate - NR	- R	\$/1,000 (Assessed Value)	\$15.52
			\$15.60
Supervision Factor		\$/labor hour	\$0.50
Management Rate		percent	7.00%

BUDGET AREA..... GRANT AND CATRON COUNTIES, 2003.
 FARM SIZE 40 ACRES
 IRRIGATION TYPE..... FLOOD
 NUMBER OF CROPS... 3

ACREAGE SUMMARY:	WATER USE		
	LAND USE (ACRES)	AC. IN. PER ACRE	TOTAL AC. IN.
ALFALFA ESTABLISHMENT *	4	0	0
ALFALFA	25	0	0
PASTURE ESTABLISHMENT *	2	0	0
PERMANENT PASTURE	10	0	0
SMALL GRAINS PASTURE	0	0	0
ROADS, HOMESTEAD	5		
TOTAL	40		0
ACRE FEET PER ACRE OF WATER RIGHTS			0.00

Table 1a. Overhead cost information for Grant and Catron Counties, 2003.

ITEM		CROP ENTERPRISE	LIVESTOCK ENTERPRISE	TOTAL
Electricity (Domestic & Shop)		\$80.00 per month	\$960	\$96.00
Telephone		\$65.00 per month	\$780	\$78.00
Accounting & Legal			\$350	\$350
Misc. Supplies & Hand Tools			\$615	\$615
Pickup and Auto	Crop Ent. Livestock Ent.			
miles	7,000 3,500 @	\$0.365 per mile	\$2,555	\$1,277.50
Insurance				
- general liability (non-employee)			\$5	\$0.00
- fire/theft			\$260	\$0.00
Property Taxes				
- non-planted land			\$10	\$0.00
- other than land & machinery			\$200	\$200
Building repairs and maintenance			\$360	\$36.00
Dues, fees, publications			\$200	\$10.00
Farmstead Equipment			\$160	\$15.97
Irrigation Well Depreciation and Taxes			\$1,579	
		Total	\$6,455	\$1,513
				\$7,969
		Total per planted acre	\$184.44	

TABLE 2. Pumping costs and data for irrigation wells, Grant and Catron Counties, 2003.

INPUT DATA

DEPTH CHARACTERISTICS:		
STATIC.....	40	
DRAW DOV	10	
TOTAL HEAD.....	50	
CASING.....	70	
GALLONS PER MINUTE (GPM)...	1000	
WORK HORSEPOWER.....	13	
EFFICIENCY FACTOR:		
ELECTRICITY.....	0.540	
NATURAL GAS.....	0.154	
LP GAS.....	0.154	
DIESEL.....	0.160	
FUEL COST PER UNIT:		
ELECTRICITY.....	0.00	CENTS/K wHr
NATURAL GAS.....	\$0.00	\$/MCF
LP GAS.....	\$0.00	\$/GAL
DIESEL.....	\$0.00	\$/GAL

FUEL PUMPING COSTS:

ELECTRIC WELL:		
COST PER HOUR.....\$	\$0.03	
COST PER ACRE INCH.....\$	\$0.01	
NATURAL GAS WELL:		
COST PER HOUR.....\$	\$0.03	
COST PER ACRE INCH.....\$	\$0.01	
BUTANE WELL:		
COST PER HOUR.....\$	\$0.03	
COST PER ACRE INCH.....\$	\$0.01	
DIESEL WELL:		
COST PER HOUR.....\$	\$0.03	
COST PER ACRE INCH.....\$	\$0.01	

TABLE 3a. Equipment summary for a 60 acre farm with above average management, Grant and Catron Counties, 2003.

EQUIPMENT ITEM & SIZE	ANNUAL HOURS OF USE		VARIABLE COSTS					FIXED COSTS		
	HOURS	NUMBER	TOTAL VALUE	FUEL AND LUBRICANT	REPAIR	FUEL,LUBE PER HR	REPAIR PER HR	DEPRE-CIATION	TAXES	TOTAL PER HOUR
TRACTOR 65 HP	81	1	\$2,400	\$532	\$31.22	\$6.56	\$0.39	\$138	\$14	\$1.87
PICKUP 3/4 TON *	50	1	\$15,000	\$425	\$150.00	\$8.51	\$3.00	\$3,000	\$78	\$61.55
CORRUGATER	3	1	\$250		\$0.03		\$0.01	\$33	\$1	\$10.69
BALER, PTO 2-WIRE	27	1	\$1,500		\$12.15		\$0.45	\$150	\$8	\$5.84
LAND PLANE 8 FT.	4	1	\$1,000		\$0.17		\$0.04	\$133	\$5	\$32.06
DISC 8 FT	4	1	\$700		\$3.23		\$0.87	\$93	\$4	\$26.06
PLOW (MOLDBOARD) 2-16 IN	8	1	\$250		\$1.97		\$0.25	\$33	\$1	\$4.41
DRILL 8 FT.	2	1	\$1,000		\$1.18		\$0.48	\$200	\$5	\$83.40
SWATHER, PTO 10 FT.	28	1	\$5,000		\$14.00		\$0.50	\$500	\$26	\$18.78
MOWER 7 FT SICKLE BAR	5	1	\$1,300		\$1.64		\$0.36	\$130	\$7	\$30.38
BUTANE WELL	0	1	\$11,400		\$0.00			\$1,520	\$59	
			\$39,800	\$958	\$216			\$5,931	\$208	

* 1/4 CHARGED TO FARM.

Table 4a. Livestock Production Parameters

NUMBER OF COWS	50
COWS PER BULL	20
NUMBER OF HORSES	2
REPLACEMENT RATE (%)	10.00%
CALF DEATH LOSS (%)	2.00%
YEARLING DEATH LOSS (%)	0.00%
COW DEATH LOSS (%)	1.00%
BULL DEATH LOSS (%)	0.00%
CALF CROP (%)	92.00%
PRODUCTIVE LIFE OF BULLS (YEA	5
PERCENT SOLD AS YEARLINGS:	
HEIFERS	0.00%
STEERS	0.00%

Table 4b. Forage Sources for Livestock

	ACRES	AUMS/ ACRE	AUMS PROVIDED
ALFALFA	25.00	1.00	25.00
PERMANENT PASTURE	10.00	12.00	120.00
FOREST			297.50
BALED HAY (TONS)		115.70	289.25
TOTAL	35.00		731.75

Table 4c. STOCK COUNT CHART

CALVES WERE BORN IN: MARCH

SEASON	BULLS 1.4	REPLACEMENT		YEARLING		STEERS CALVES 0.5	HEIFER CALVES 0.5	HORSES 1.25	TOTAL AUMs REQUIRED
		COWS 1.0	HEIFERS 0.7	STEERS 0.7	HEIFERS 0.7				
JANUARY	3	50				0	5	2	59
FEBUARY	3	50				0	5	2	59
MARCH	3	50	5					2	60
APRIL	3	50	5					2	60
MAY	3	50	5					2	60
JUNE	3	50	5					2	60
JULY	3	50	5					2	60
AUGUST	3	50	5					2	60
SEPTEMBER	3	50	5					2	60
OCTOBER	3	50				25	25	2	81
NOVEMBER	3	50				0	5	2	59
DECEMBER	3	50				0	5	2	59
									732

Table 4d. FORAGE BALANCE CHART

	TOTAL AUMs REQUIRED		FOREST	PASTURE	TOTAL AUMs SUPPLIED		HAY
	ALFALFA						
JANUARY	59	6	0	0	6	52	
FEBRUARY	59	6	0	0	6	52	
MARCH	60	0	0	20	20	40	
APRIL	60	0	0	30	30	30	
MAY	60	0	30	30	60	0	
JUNE	60	0	60	0	60	0	
JULY	60	0	60	0	60	0	
AUGUST	60	0	60	0	60	0	
SEPTEMBER	60	0	60	0	60	0	
OCTOBER	81	0	30	20	50	31	
NOVEMBER	59	6	0	10	16	42	
DECEMBER	59	6	0	10	16	42	
Total AUMs	732	25	298	120	443	289	

TABLE 5. Alfalfa establishment, flood-irrigated, budgeted per acre costs and returns for a 60 acre farm with above average management, Grant and Catron Counties, 2003.
Planting dates: August 15 - September 15

ITEM	PRICE	QUANTITY	PURCHASED INPUTS					TOTAL	
<u>PURCHASED INPUTS</u>									
SEED	\$3.00	30 LBS						\$90.00	
CANAL WATER		18 AC. IN.							
SUBTOTAL					\$90.00			\$90.00	
PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL	
PLOW (MOLDBOARD)	65 HP	1.31 HR		\$8.45	\$8.60	\$0.83	\$8.22	\$26.10	
DISC (2X)	65 HP	0.62 HR		\$4.00	\$4.07	\$0.78	\$17.32	\$26.16	
LAND PLANE (2X)	65 HP	0.72 HR		\$4.64	\$4.73	\$0.31	\$24.43	\$34.11	
CORRUGATE	65 HP	0.54 HR		\$3.48	\$3.54	\$0.21	\$6.78	\$14.02	
DRILL	65 HP	0.41 HR		\$2.64	\$2.69	\$0.35	\$34.96	\$40.65	
IRRIGATE (3X)		2.25 HR		\$13.28				\$13.28	
SUBTOTAL			5.85 HR	\$36.50	\$23.63	\$2.48	\$91.72	\$154.32	
<u>OVERHEAD EXPENSES</u>									
DOWNTIME		0.90 HR		\$5.81				\$5.81	
EMPLOYEE BENEFITS				\$6.57				\$6.57	
INSURANCE			\$0.73					\$0.73	
SUPERVISION AND MANAGEMENT				\$20.03				\$20.03	
SUBTOTAL			0.90 HR	\$0.73	\$32.40			\$33.13	
TOTAL OPERATING EXPENSES			6.75 HR	\$90.73	\$68.90	\$23.63	\$2.48	\$91.72	\$277.46

TABLE 6. Alfalfa hay, flood-irrigated, budgeted per acre costs and returns for a 60 acre farm with above average management, Grant and Catron Counties, 2003.
Harvesting dates: June 15 - September 15

ITEM	PRICE	YIELD						TOTAL
GROSS RETURNS								
HAY	\$138.00	5.00	TONS (STACKED)					\$690.00
GRAZING	\$10.00	1.00	AUM					\$10.00
TOTAL								\$700.00
PURCHASED INPUTS								
	PRICE	QUANTITY	PURCHASED INPUTS				FIXED COST	TOTAL
WIRE ESTABLISHMENT: Principal	\$0.39	43 LBS	\$16.71					\$16.71
: Interest		6 YEARS					\$46.24	\$46.24
CANAL WATER		60 AC. IN.	\$10.00				\$9.22	\$9.22
SUBTOTAL								\$82.18
PREHARVEST OPERATIONS								
	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
IRRIGATE (8X)		6.00 HR		\$35.40				\$35.40
SUBTOTAL								\$35.40
HARVEST OPERATIONS								
SWATHER, PTO (4X)	65 HP	1.12 HR		\$7.22	\$7.35	\$0.99	\$23.13	\$38.70
BALER, PTO (4X)	65 HP	1.08 HR		\$6.97	\$7.09	\$0.90	\$8.33	\$23.29
LOAD (4X)	3/4 TON	2.00 HR		\$12.90	\$17.01	\$6.00	\$123.10	\$159.01
SUBTOTAL								\$221.00
OVERHEAD EXPENSES								
DOWNTIME		1.05 HR		\$6.77				\$6.77
EMPLOYEE BENEFITS				\$11.25				\$11.25
INSURANCE				\$1.25				\$1.25
LAND TAXES							\$2.02	\$2.02
SUPERVISION AND MANAGEMENT				\$54.10				\$54.10
OTHER EXPENSES				\$184.44				\$184.44
SUBTOTAL								\$259.83
TOTAL OPERATING EXPENSES								\$598.40
NET OPERATING PROFIT								\$101.60
INTEREST ON OPERATING CAPITAL	(\$16.63	@	8.00%				\$1.33
INTEREST ON EQUIPMENT INVESTMENT								\$74.77
RETURN TO LAND AND RISK								\$25.50

BUDGET SUMMARY

GROSS RETURN		\$700.00	
VARIABLE OPERATING EXPENSES	\$251.74		
RETURN OVER VARIABLE EXPENSES		\$448.26	(GROSS MARGIN)
FIXED EXPENSES	\$212.05		
NET FARM INCOME		\$236.21	(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$134.61		
NET OPERATING PROFIT		\$101.60	(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$76.10		
RETURN TO LAND AND RISK		\$25.50	

TABLE 7. Permanent pasture establishment, flood-irrigated, budgeted per acre costs and returns for a 60 acre farm with above average management, Grant and Catron Counties, 2003.
Planting dates: August 15 - September 15

ITEM	PRICE	QUANTITY	PURCHASED INPUTS						TOTAL	
<u>PURCHASED INPUTS</u>										
SEED	\$2.50	20 LBS		\$50.00						\$50.00
CANAL WATER		18 AC. IN.								
SUBTOTAL				\$50.00						\$50.00
PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL		
PLOW (MOLDBOARD)	65 HP	1.31 HR		\$8.45	\$8.60	\$0.83	\$8.22	\$26.10		
DISC (2X)	65 HP	0.62 HR		\$4.00	\$4.07	\$0.78	\$17.32	\$26.16		
LAND PLANE (2X)	65 HP	0.72 HR		\$4.64	\$4.73	\$0.31	\$24.43	\$34.11		
CORRUGATE	65 HP	0.54 HR		\$3.48	\$3.54	\$0.21	\$6.78	\$14.02		
DRILL	65 HP	0.41 HR		\$2.64	\$2.69	\$0.35	\$34.96	\$40.65		
IRRIGATE (3X)		2.25 HR		\$13.28						\$13.28
SUBTOTAL		5.85 HR		\$36.50	\$23.63	\$2.48	\$91.72	\$154.32		
<u>OVERHEAD EXPENSES</u>										
DOWNTIME		0.90 HR		\$5.81						\$5.81
EMPLOYEE BENEFITS				\$6.57						\$6.57
INSURANCE			\$0.73						\$0.73	
SUPERVISION AND MANAGEMENT				\$17.23						\$17.23
SUBTOTAL		0.90 HR	\$0.73	\$29.60						\$30.33
TOTAL OPERATING EXPENSES		6.75 HR	\$50.73	\$66.10	\$23.63	\$2.48	\$91.72	\$234.66		

TABLE 8. Permanent pasture, flood-irrigated, budgeted per acre costs and returns for a 60 acre farm with above average management, Grant and Catron Counties, 2003.
Harvesting dates: March 1 - September 30

ITEM	PRICE	YIELD					TOTAL	
GROSS RETURNS								
PASTURE	\$12.00	12.00 AUMS					\$144.00	
TOTAL							\$144.00	
PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS			FIXED COST	TOTAL	
ESTABLISHMENT: Principal		15 YEARS				\$15.64	\$15.64	
: Interest						\$7.17	\$7.17	
CANAL WATER		32 AC. IN.	\$10.00				\$10.00	
SUBTOTAL			\$10.00			\$22.81	\$32.81	
PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
MOWER	65 HP	0.45 HR		\$2.90	\$2.95	\$0.34	\$14.51	\$20.71
IRRIGATE (8X)		5.25 HR		\$30.98				\$30.98
SUBTOTAL		5.70 HR		\$33.88	\$2.95	\$0.34	\$14.51	\$51.68
OVERHEAD EXPENSES								
DOWNTIME		0.11 HR		\$0.73				\$0.73
EMPLOYEE BENEFITS				\$6.10				\$6.10
INSURANCE			\$0.68					\$0.68
LAND TAXES							\$2.02	\$2.02
SUPERVISION AND MANAGEMENT				\$12.71				\$12.71
OTHER EXPENSES			\$184.44					\$184.44
		0.11 HR	\$185.12	\$19.53			\$2.02	\$206.66
TOTAL OPERATING EXPENSES		5.81 HR	\$195.12	\$53.41	\$2.95	\$0.34	\$39.35	\$291.16
NET OPERATING PROFIT								(\$147.16)
INTEREST ON OPERATING CAPITAL	(\$5.82	@	8.00%)			\$0.47
INTEREST ON EQUIPMENT INVESTMENT								\$11.62
RETURN TO LAND AND RISK								(\$159.25)

BUDGET SUMMARY

GROSS RETURN	\$144.00	
VARIABLE OPERATING EXPENSES	\$198.41	
RETURN OVER VARIABLE EXPENSES	(\$54.41)	(GROSS MARGIN)
FIXED EXPENSES	\$39.35	
NET FARM INCOME	(\$93.75)	(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$53.41	
NET OPERATING PROFIT	(\$147.16)	(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$12.09	
RETURN TO LAND AND RISK	(\$159.25)	

TABLE 8. Small grains pasture, flood-irrigated, budgeted per acre costs and returns for a 60 acre farm with above average management, Grant and Catron Counties, 2003.

Planting dates: August 15 - September 30

Harvesting dates: December 1 - May 30

ITEM	PRICE	YIELD		PURCHASED INPUTS					TOTAL
GROSS RETURNS									
WHEAT PASTURE	\$16.00	8.00	AUMS						\$128.00
TOTAL									\$128.00
PURCHASED INPUTS									
SEED	\$0.13	90	LBS	\$11.70					\$11.70
LIVESTOCK FAC & EQUIP							\$5.00		\$5.00
CANAL WATER		24	ACRE IN.	\$10.00					\$10.00
SUBTOTAL				\$21.70			\$5.00		\$26.70
PREHARVEST OPERATIONS									
	POWER UNIT	ACCOMPLISHMENT RATE		PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
PLOW (MOLDBOARD)	65 HP	1.31	HR		\$8.45	\$8.60	\$0.83	\$8.22	\$26.10
DISC	65 HP	0.31	HR		\$2.00	\$2.03	\$0.39	\$8.66	\$13.08
CORRUGATE	65 HP	0.54	HR		\$3.48	\$3.54	\$0.21	\$6.78	\$14.02
DRILL	65 HP	0.41	HR		\$2.64	\$2.69	\$0.35	\$34.96	\$40.65
IRRIGATE (5X)		3.00	HR		\$17.70				\$17.70
SUBTOTAL		5.57	HR		\$34.28	\$16.87	\$1.79	\$58.63	\$111.56
OVERHEAD EXPENSES									
DOWNTIME		0.64	HR		\$4.14				\$4.14
EMPLOYEE BENEFITS					\$6.17				\$6.17
INSURANCE				\$0.69					\$0.69
LAND TAXES							\$2.02		\$2.02
SUPERVISION AND MANAGEMENT					\$11.75				\$11.75
OTHER EXPENSES				\$184.44					\$184.44
SUBTOTAL		0.64	HR	\$185.13	\$22.06		\$2.02		\$209.20
TOTAL OPERATING EXPENSES		6.21	HR	\$206.83	\$56.34	\$16.87	\$1.79	\$65.64	\$347.46
NET OPERATING PROFIT									(\$219.46)
INTEREST ON OPERATING CAPITAL	(\$15.51	@	8.00%)				\$1.24
INTEREST ON EQUIPMENT INVESTMENT									\$31.64
RETURN TO LAND AND RISK									(\$252.34)

BUDGET SUMMARY

GROSS RETURN	\$128.00		
VARIABLE OPERATING EXPENSES	\$225.48		
RETURN OVER VARIABLE EXPENSES	(\$97.48)	(GROSS MARGIN)	
FIXED EXPENSES	\$65.64		
NET FARM INCOME	(\$163.13)	(RETURN TO CAPITAL, LABOR, LAND & RISK)	
LABOR AND MANAGEMENT COST	\$56.34		
NET OPERATING PROFIT	(\$219.46)	(RETURN TO CAPITAL, LAND & RISK)	
CAPITAL COSTS	\$32.88		
RETURN TO LAND AND RISK	(\$252.34)		

Table 9. Livestock Enterprise, cost and returns for a 60 acre farm with livestock as the primary enterprise, with above average management, Grant and Catron Counties, 2003.

GROSS RETURNS						
NUMBER		\$/CWT	Sale Weight (CWT)	Total (\$)	Guideline Value (\$/Cow)	Guideline Value (\$/AU)
0	YEARLING HEIFERS	\$92.00	7.35	\$12,172	\$243.43	\$199.67
0	YEARLING STEERS	102.00	7.50	17,595	351.90	\$288.64
18	HEIFER CALVES	110.00	4.20	8,316	166.32	\$136.42
23	STEER CALVES	120.00	4.20	11,592	231.84	\$190.16
0	BULLS	40.00	14.75	0	0.00	\$0.00
5	CULL COWS	34.00	8.85	1,505	30.09	\$24.68
702	MANURE	0.13	8.00	702	14.03	\$11.51
TOTAL				\$51,881	\$1,037.61	\$851.08
PURCHASED INPUTS						
NUMBER	PURCHASED INPUTS	Unit	\$/Unit	Total	Guideline Value (\$/Cow)	Guideline Value (\$/AU)
FORAGE:						
25	ALFALFA	AUM	\$10.00	\$250	\$5.00	\$4.10
120	PERMANENT PASTURE	AUM	\$12.00	\$1,440	28.80	23.62
298	FOREST	AUM	\$1.35	\$402	8.03	6.59
SUBTOTAL				\$2,092	\$42	\$34
LABOR, FEED, LIVESTOCK:						
		Unit	\$/Unit	Total	(\$/Cow)	(\$/AU)
1	PROTEIN SUPPLEMENT	TON	245	245	\$4.90	\$4.02
0	SALT & MINERALS	TON	200	80	\$1.60	\$1.31
116	HAY	TON	138	15,967	\$319.33	\$261.93
0	GRAIN	TON	200	0	\$0.00	\$0.00
0	GRAIN CUBES	TON	200	0	\$0.00	\$0.00
	FUEL AND REPAIRS	ANNUAL		0	\$0.00	\$0.00
	VETERINARY AND MEDICINE	ANNUAL		705	\$14.09	\$11.56
0	BULLS PURCHASED	HEAD	1300	0	\$0.00	\$0.00
	LIVESTOCK TAXES	ANNUAL		10	\$0.19	\$0.16
	MAINTENANCE	ANNUAL		0	\$0.00	\$0.00
55	PREGNANCY TEST	HEAD	2	110	\$2.00	\$1.80
79	LABOR	HOUR	5	395	\$7.90	\$6.48
46	BEEF CHECKOFF PROGRAM	HEAD	1	46	\$0.92	\$0.75
	MISCELLANEOUS	ANNUAL		0	\$0.00	\$0.00
SUBTOTAL				\$17,557	\$350.94	\$288.01
OVERHEAD EXPENSES						
	EMPLOYEE BENEFITS			0	\$0.00	\$0.00
	INSURANCE			0	0.00	0.00
	DEPRECIATION			548	10.95	8.98
	SUPERVISION AND MANAGEMENT			2,390	47.80	39.21
	OTHER EXPENSES			1,513	30.27	24.83
SUBTOTAL				\$4,451	\$89.02	\$73.02
TOTAL OPERATING EXPENSES				\$24,099	\$481.99	\$395.34
NET OPERATING PROFIT				\$2,092	\$41.83	\$34.31
CAPITAL COST						
	INTEREST ON OPERATING CAPITAL			\$760	\$15.20	12.47
	INTEREST ON MACHINERY AND IMPROVEMENTS			\$750	\$15.00	12.30
	INTEREST ON LIVESTOCK			\$3,220	\$64.40	52.82
TOTAL CAPITAL COST				\$4,730	\$94.60	77.59
RETURN TO RISK				(\$2,638)	(\$52.77)	-43.28
RATE OF RETURN ON INVESTMENT				4.2149%		
BUDGET SUMMARY						
GROSS RETURN					\$2,092	
VARIABLE OPERATING EXPENSES				\$19,648		
RETURN OVER VARIABLE EXPENSES					(\$17,557)	
FIXED EXPENSES				\$2,061		
NET FARM INCOME					(\$19,618)	
LABOR AND MANAGEMENT COST				\$2,390		
NET OPERATING PROFIT					(\$22,008)	
CAPITAL COST				\$4,730		
RETURN TO LAND AND RISK					(\$26,738)	

TABLE 9. Summary of per acre costs and returns, 60 acre part-time farm with above average management, Grant and Catron Counties, 2003.

	ALFALFA ESTABLISHMENT	ALFALFA HAY -----FLOOD-----	PERMANENT PASTURE EST.	PERMANENT PASTURE
		TONS		AUMS
PRIMARY YIELD		5.00		12.00
PRIMARY PRICE		138.00		12.00
GOVERNMENT PAYMENTS		0.00		0.00
SECOND INCOME		10.00		0.00
GROSS RETURN		\$700.00		\$144.00
CASH OPERATING EXPENSES				
SEED	\$90.00		\$50.00	
FERTILIZER				
CHEMICALS				
CROP INSURANCE				
OTHER PURCHASED INPUTS		\$16.71		
CANAL WATER		\$10.00		\$10.00
FUEL, OIL & LUBRICANTS-EQUIPMENT	\$23.63	\$31.45	\$23.63	\$2.95
FUEL-IRRIGATION				
REPAIRS	\$2.48	\$7.89	\$2.48	\$0.34
CUSTOM CHARGES				
LAND TAXES		\$2.02		\$2.02
OTHER EXPENSES	\$0.73	\$185.69	\$0.73	\$185.12
TOTAL CASH EXPENSES	\$116.84	\$253.76	\$76.84	\$200.43
RETURN OVER CASH EXPENSES	(\$116.84)	\$446.24	(\$76.84)	(\$56.43)
FIXED EXPENSES	\$91.72	\$210.03	\$91.72	\$37.33
TOTAL EXPENSES	\$208.56	\$463.79	\$168.56	\$237.75
NET FARM INCOME	(\$208.56)	\$236.21	(\$168.56)	(\$93.75)
LABOR AND MANAGEMENT COSTS	\$68.90	\$134.61	\$66.10	\$53.41
NET OPERATING PROFIT	(\$277.46)	\$101.60	(\$234.66)	(\$147.16)
CAPITAL COSTS				
INTEREST ON OPERATING CAPITAL		\$1.33		\$0.47
INTEREST ON EQUIPMENT INVESTMENT		\$74.77		\$11.62
TOTAL CAPITAL COSTS	\$0.00	\$76.10	\$0.00	\$12.09
RETURN TO LAND AND RISK	(\$277.46)	\$25.50	(\$234.66)	(\$159.25)

TABLE 10. Whole farm summary, Grant and Catron Counties, 2003.

GROSS RETURNS		
ALFALFA HAY	25 ACRES	
CROP		\$17,250
GRAZING		\$250
PASTURE	10 ACRES	
GRAZING		\$1,440
WHEAT PASTURE	0 ACRES	
GRAZING		\$0
LIVESTOCK		\$51,881
GROSS RETURN		\$70,821
CASH OPERATING EXPENSES		
FORAGE		\$2,092
LIVESTOCK		\$17,557
SEED		\$460
FERTILIZER		\$0
CHEMICALS		\$0
CROP INSURANCE		\$0
OTHER PURCHASED INPUTS		\$418
CANAL WATER		\$350
FUEL, OIL & LUBRICANTS-EQUIPMENT		\$958
FUEL-IRRIGATION		\$0
REPAIRS		\$216
CUSTOM CHARGES		\$0
LAND TAXES		\$71
OTHER EXPENSES		\$6,498
TOTAL CASH EXPENSES		\$28,618
RETURN OVER CASH EXPENSES		\$42,203
FIXED EXPENSES		\$4,862
TOTAL EXPENSES		\$33,480
NET FARM INCOME		\$37,341
LABOR AND MANAGEMENT COSTS		\$4,307
NET OPERATING PROFIT		\$33,034
CAPITAL COSTS		
INTEREST ON OPERATING CAPITAL		\$38
INTEREST ON EQUIPMENT INVESTMENT		\$1,985
TOTAL CAPITAL COSTS		\$2,023
RETURN TO LAND AND RISK		\$31,011

LAND VALUE	RETURN TO RISK*	RETURN ON INVESTMENT**
\$1,000 /ACRE	\$28,611	33.10%
\$2,000 /ACRE	\$26,211	20.67%
\$3,000 /ACRE	\$23,811	15.03%
\$4,000 /ACRE	\$21,411	11.81%
\$5,000 /ACRE	\$19,011	9.72%

* 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)