

TABLE 5. Alfalfa establishment, flood-irrigated, budgeted per acre costs and returns for an 80 acre farm, San Juan County,
 Projected 2015
 Planting dates: April 15 - June 1
 Harvest dates: June 1 - July 31

| ITEM | PRICE | YIELD | TOTAL |
|----------------------|---------|---------------------|-----------------|
| GROSS RETURNS | | | |
| OAT HAY | ##### | 2.25 TONS (STACKED) | \$506.25 |
| GRAZING | \$10.00 | 1.00 AUM | \$10.00 |
| TOTAL | | | \$516.25 |

| PURCHASED INPUTS | PRICE | QUANTITY | PURCHASED INPUTS | FIXED COST | TOTAL |
|---------------------------|--------|------------|------------------|-----------------|-----------------|
| ALFALFA SEED | \$6.00 | 20 LBS | \$120.00 | | \$120.00 |
| OAT SEED | \$0.64 | 45 LBS | \$28.80 | | \$28.80 |
| PHOSPHATE (P2O5) | \$0.40 | 45 LBS | \$18.00 | | \$18.00 |
| WIRE | \$1.32 | 19 LBS | \$25.45 | | \$25.45 |
| CANAL WATER | | 48 AC. IN. | | \$122.00 | \$122.00 |
| CANAL WATER (MAINTENANCE) | | 1 ACRE | | \$8.00 | \$8.00 |
| SUBTOTAL | | | \$192.25 | \$130.00 | \$322.25 |

| PREHARVEST OPERATIONS | POWER UNIT | ACCOMPLISHMENT RATE | PURCHASED INPUTS | LABOR | FUEL & LUBE | REPAIRS | FIXED COST | TOTAL |
|-----------------------|------------|---------------------|------------------|----------------|----------------|---------------|-----------------|-----------------|
| PLow | 96 HP | 0.67 HR | | \$5.23 | \$10.20 | \$3.42 | \$21.70 | \$40.54 |
| DISC (2X) | 96 HP | 0.34 HR | | \$2.65 | \$5.18 | \$1.27 | \$13.93 | \$23.02 |
| HARROW | 96 HP | 0.19 HR | | \$1.48 | \$2.89 | \$0.18 | \$2.71 | \$7.27 |
| FERTILIZE | 96 HP | 0.05 HR | | \$0.39 | \$0.76 | \$0.05 | \$0.30 | \$1.49 |
| CORRUGATE | 40 HP | 0.21 HR | | \$1.64 | \$1.96 | \$0.75 | \$5.72 | \$10.07 |
| DRILL | 96 HP | 0.21 HR | | \$1.64 | \$3.20 | \$0.42 | \$67.14 | \$72.39 |
| DITCHER (2X) | 40 HP | 0.10 HR | | \$0.78 | \$0.94 | \$0.11 | \$4.09 | \$5.92 |
| IRRIGATE (6X) | | 3.00 HR | | \$22.50 | | | | \$22.50 |
| SUBTOTAL | | 4.77 HR | | \$36.31 | \$25.13 | \$6.19 | \$115.58 | \$183.20 |

| HARVEST OPERATIONS | | | | | | | | |
|---------------------------|-------|----------------|--|---------------|---------------|---------------|----------------|----------------|
| SWATHER | 14 FT | 0.16 HR | | \$1.25 | \$1.50 | \$0.09 | \$14.72 | \$17.56 |
| BALER | 96 HP | 0.21 HR | | \$1.64 | \$3.20 | \$0.23 | \$5.15 | \$10.22 |
| BALE WAGON | 96 HP | 0.20 HR | | \$1.56 | \$3.04 | \$0.44 | \$9.31 | \$14.36 |
| SUBTOTAL | | 0.57 HR | | \$4.45 | \$7.74 | \$0.77 | \$29.18 | \$42.13 |

| OVERHEAD EXPENSES | | | | | | | | |
|----------------------------|--|----------------|---------------|----------------|--|---------------|--|----------------|
| DOWNTIME | | 2.16 HR | | \$16.87 | | | | \$16.87 |
| EMPLOYEE BENEFITS | | | | \$7.34 | | | | \$7.34 |
| INSURANCE | | | \$0.82 | | | | | \$0.82 |
| LAND TAXES | | | | | | \$2.45 | | \$2.45 |
| SUPERVISION AND MANAGEMENT | | | | \$39.55 | | | | \$39.55 |
| SUBTOTAL | | 2.16 HR | \$0.82 | \$63.75 | | \$2.45 | | \$67.02 |

| | | | | | | | | |
|---------------------------------|--|----------------|-----------------|-----------------|----------------|---------------|-----------------|-----------------|
| TOTAL OPERATING EXPENSES | | 7.50 HR | \$193.07 | \$104.51 | \$32.86 | \$6.96 | \$277.20 | \$614.61 |
|---------------------------------|--|----------------|-----------------|-----------------|----------------|---------------|-----------------|-----------------|

| | | | | | | | | |
|-----------------------------|--|--|--|--|--|--|--|------------------|
| NET OPERATING PROFIT | | | | | | | | (\$98.36) |
|-----------------------------|--|--|--|--|--|--|--|------------------|

| | | | | | | | | |
|----------------------------------|---|----------|---|-------|---|--|--|---------|
| INTEREST ON OPERATING CAPITAL | (| \$104.67 | @ | 5.50% |) | | | \$5.76 |
| INTEREST ON EQUIPMENT INVESTMENT | | | | | | | | \$57.05 |

| | | | | | | | | |
|--------------------------------|--|--|--|--|--|--|--|-------------------|
| RETURN TO LAND AND RISK | | | | | | | | (\$161.17) |
|--------------------------------|--|--|--|--|--|--|--|-------------------|

TABLE 6. Alfalfa hay, flood-irrigated, budgeted per acre costs and returns for an 80 acre farm, San Juan County,
 Projected 2015
 Harvesting dates: June 1 - October 15

| ITEM | PRICE | YIELD | TOTAL |
|----------------------|----------|---------------------|-------------------|
| GROSS RETURNS | | | |
| ALFALFA HAY | \$245.00 | 5.00 TONS (STACKED) | \$1,225.00 |
| GRAZING | \$10.00 | 2.00 AUM | \$20.00 |
| TOTAL | | | \$1,245.00 |

| PURCHASED INPUTS | PRICE | QUANTITY | PURCHASED INPUTS | FIXED COST | TOTAL |
|---------------------------|---------|------------|------------------|-----------------|-----------------|
| PHOSPHATE (P2O5) | \$0.40 | 45 LBS | \$18.00 | | \$18.00 |
| INSECTICIDE (AERIAL) | \$17.25 | 1 ACRE | \$17.25 | | \$17.25 |
| WIRE | \$1.32 | 43 LBS | \$56.56 | | \$56.56 |
| ESTABLISHMENT: Principal | | 6 YEARS | | \$26.86 | \$26.86 |
| : Interest | | | | \$14.69 | \$14.69 |
| LIVESTOCK FAC & EQUIP | | | | \$5.00 | \$5.00 |
| CANAL WATER | | 60 AC. IN. | | \$152.50 | \$152.50 |
| CANAL WATER (MAINTENANCE) | | 1 ACRE | | \$8.00 | \$8.00 |
| SUBTOTAL | | | \$91.82 | \$207.05 | \$298.87 |

| PREHARVEST OPERATIONS | POWER UNIT | ACCOMPLISHMENT RATE | PURCHASED INPUTS | LABOR | FUEL & LUBE | REPAIRS | FIXED COST | TOTAL |
|-----------------------|------------|---------------------|------------------|----------------|---------------|---------------|---------------|----------------|
| FERTILIZE | 96 HP | 0.05 HR | | \$0.39 | \$0.76 | \$0.05 | \$0.30 | \$1.49 |
| DITCHER (2X) | 40 HP | 0.10 HR | | \$0.78 | \$0.94 | \$0.11 | \$4.09 | \$5.92 |
| IRRIGATE (10X) | | 5.00 HR | | \$37.50 | | | | \$37.50 |
| SUBTOTAL | | 5.15 HR | | \$38.67 | \$1.70 | \$0.16 | \$4.38 | \$44.91 |

| HARVEST OPERATIONS | | | | | | | | |
|---------------------------|-------|----------------|--|----------------|----------------|---------------|----------------|-----------------|
| SWATHER (3X) | 14 FT | 0.48 HR | | \$3.74 | \$4.49 | \$0.28 | \$44.17 | \$52.69 |
| BALER (3X) | 96 HP | 0.63 HR | | \$4.91 | \$9.59 | \$0.69 | \$15.45 | \$30.65 |
| BALE WAGON (3X) | 96 HP | 0.60 HR | | \$4.68 | \$9.13 | \$1.33 | \$27.92 | \$43.07 |
| SUBTOTAL | | 1.71 HR | | \$13.34 | \$23.22 | \$2.30 | \$87.54 | \$126.40 |

| OVERHEAD EXPENSES | | | | | | | | |
|----------------------------|--|----------------|----------|-----------------|-----------------|--|---------------|-----------------|
| DOWNTIME | | 0.44 HR | | \$3.43 | | | | \$3.43 |
| EMPLOYEE BENEFITS | | | | \$9.36 | | | | \$9.36 |
| INSURANCE | | | \$1.04 | | | | | \$1.04 |
| LAND TAXES | | | | | | | \$2.45 | \$2.45 |
| SUPERVISION AND MANAGEMENT | | | | \$93.03 | | | | \$93.03 |
| OTHER EXPENSES | | | \$263.31 | | | | | \$263.31 |
| SUBTOTAL | | 0.44 HR | | \$264.35 | \$105.82 | | \$2.45 | \$372.62 |

TOTAL OPERATING EXPENSES 7.30 HR \$356.17 \$157.83 \$24.91 \$2.46 \$301.42 \$842.80

NET OPERATING PROFIT \$402.20

INTEREST ON OPERATING CAPITAL (\$48.50 @ 5.50%) \$2.67
 INTEREST ON EQUIPMENT INVESTMENT \$48.12

RETURN TO LAND AND RISK \$351.42

| BUDGET SUMMARY | | |
|-------------------------------|----------|---|
| GROSS RETURN | | \$1,245.00 |
| VARIABLE OPERATING EXPENSES | \$383.55 | |
| RETURN OVER VARIABLE EXPENSES | \$861.45 | (GROSS MARGIN) |
| FIXED EXPENSES | \$301.42 | |
| NET FARM INCOME | \$560.03 | (RETURN TO CAPITAL, LABOR, LAND & RISK) |
| LABOR AND MANAGEMENT COST | \$157.83 | |
| NET OPERATING PROFIT | \$402.20 | (RETURN TO CAPITAL, LAND & RISK) |
| CAPITAL COSTS | \$50.78 | |
| RETURN TO LAND AND RISK | \$351.42 | |

TABLE 7. Permanent pasture establishment, flood-irrigated, budgeted per acre costs and returns for an 80 acre farm, San Juan County,
 Projected 2015
 Planting dates: August 15 - September 15

| PURCHASED INPUTS | PRICE | QUANTITY | PURCHASED INPUTS | FIXED COST | TOTAL |
|---------------------------|--------|------------|------------------|------------|----------|
| SEED | \$3.12 | 14 LBS | \$43.68 | | \$43.68 |
| NITROGEN (N) | \$0.45 | 20 LBS | \$9.00 | | \$9.00 |
| PHOSPHATE (P205) | \$0.40 | 50 LBS | \$20.00 | | \$20.00 |
| CANAL WATER | | 21 AC. IN. | | \$53.38 | \$53.38 |
| CANAL WATER (MAINTENANCE) | | | | \$8.00 | \$8.00 |
| SUBTOTAL | | | \$72.68 | \$53.38 | \$126.06 |

| PREHARVEST OPERATIONS | POWER UNIT | ACCOMPLISHMENT RATE | PURCHASED INPUTS | LABOR | FUEL & LUBE | REPAIRS | FIXED COST | TOTAL |
|-----------------------|------------|---------------------|------------------|---------|-------------|---------|------------|----------|
| PLOW | 96 HP | 0.67 HR | | \$5.23 | \$10.20 | \$3.42 | \$21.70 | \$40.54 |
| DISC (2X) | 96 HP | 0.34 HR | | \$2.65 | \$5.18 | \$1.27 | \$13.93 | \$23.02 |
| HARROW | 96 HP | 0.19 HR | | \$1.48 | \$2.89 | \$0.18 | \$2.71 | \$7.27 |
| FERTILIZE | 96 HP | 0.05 HR | | \$0.39 | \$0.76 | \$0.05 | \$0.30 | \$1.49 |
| CORRUGATE | 40 HP | 0.21 HR | | \$1.64 | \$1.96 | \$0.75 | \$5.72 | \$10.07 |
| DRILL | 96 HP | 0.21 HR | | \$1.64 | \$3.20 | \$0.42 | \$67.14 | \$72.39 |
| DITCHER (2X) | 40 HP | 0.10 HR | | \$0.78 | \$0.94 | \$0.11 | \$4.09 | \$5.92 |
| IRRIGATE (3X) | | 1.50 HR | | \$11.25 | | | | \$11.25 |
| SUBTOTAL | | 3.27 HR | | \$25.06 | \$25.13 | \$6.19 | \$115.58 | \$171.95 |

| OVERHEAD EXPENSES | ACCOMPLISHMENT RATE | PURCHASED INPUTS | LABOR | TOTAL |
|----------------------------|---------------------|------------------|---------|---------|
| DOWNTIME | 0.44 HR | | \$3.45 | \$3.45 |
| EMPLOYEE BENEFITS | | | \$4.51 | \$4.51 |
| INSURANCE | | \$0.50 | | \$0.50 |
| SUPERVISION AND MANAGEMENT | | | \$23.25 | \$23.25 |
| SUBTOTAL | 0.44 HR | \$0.50 | \$31.21 | \$31.71 |

| | | | | | | | |
|--------------------------|---------|---------|---------|---------|--------|----------|----------|
| TOTAL OPERATING EXPENSES | 3.71 HR | \$73.18 | \$56.26 | \$25.13 | \$6.19 | \$168.95 | \$329.72 |
|--------------------------|---------|---------|---------|---------|--------|----------|----------|

TABLE 8. Permanent pasture, flood-irrigated, budgeted per acre costs and returns for an 80 acre farm, San Juan County,
 Projected 2015
 Harvesting dates: Year Round

| 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 |
|--|--------|------------|------------------|------------|----------|
| NITROGEN (N) | \$0.45 | 100 LBS | \$45.00 | | \$45.00 |
| LIVESTOCK FAC & EQUIP ESTABLISHMENT: Principal | | 15 YEARS | | \$5.00 | \$5.00 |
| : Interest | | | | \$21.98 | \$21.98 |
| CANAL WATER | | 62 AC. IN. | | \$5.30 | \$5.30 |
| CANAL WATER (MAINTENANCE) | | 1 ACRE | | \$157.58 | \$157.58 |
| | | | | \$8.00 | \$8.00 |
| SUBTOTAL | | | \$45.00 | \$197.86 | \$242.86 |

| PREHARVEST OPERATIONS | POWER UNIT | ACCOMPLISHMENT RATE | PURCHASED INPUTS | LABOR | FUEL & LUBE | REPAIRS | FIXED COST | TOTAL |
|-----------------------|------------|---------------------|------------------|---------|-------------|---------|------------|---------|
| FERTILIZE | 96 HP | 0.05 HR | | \$0.39 | \$0.76 | \$0.05 | \$0.30 | \$1.49 |
| CORRUGATE | 40 HP | 0.21 HR | | \$1.64 | \$1.96 | \$0.75 | \$5.72 | \$10.07 |
| DITCHER (2X) | 40 HP | 0.10 HR | | \$0.78 | \$0.94 | \$0.11 | \$4.09 | \$5.92 |
| IRRIGATE (11X) | | 5.50 HR | | \$41.25 | | | | \$41.25 |
| SUBTOTAL | | 5.86 HR | | \$44.06 | \$3.66 | \$0.91 | \$10.10 | \$58.73 |

OVERHEAD EXPENSES

| | | | | | | | | |
|----------------------------|--|---------|----------|---------|--|--|--------|----------|
| DOWNTIME | | 0.09 HR | | \$0.70 | | | | \$0.70 |
| EMPLOYEE BENEFITS | | | | \$7.93 | | | | \$7.93 |
| INSURANCE | | | \$0.88 | | | | | \$0.88 |
| LAND TAXES | | | | | | | \$2.45 | \$2.45 |
| SUPERVISION AND MANAGEMENT | | | | \$15.76 | | | | \$15.76 |
| OTHER EXPENSES | | | \$263.31 | | | | | \$263.31 |
| SUBTOTAL | | 0.09 HR | \$264.19 | \$24.39 | | | \$2.45 | \$291.03 |

| | | | | | | | | |
|--------------------------|--|---------|----------|---------|--------|--------|----------|----------|
| TOTAL OPERATING EXPENSES | | 5.95 HR | \$309.19 | \$68.45 | \$3.66 | \$0.91 | \$210.41 | \$592.62 |
|--------------------------|--|---------|----------|---------|--------|--------|----------|----------|

| | | | | | | | | |
|----------------------|--|--|--|--|--|--|--|------------|
| NET OPERATING PROFIT | | | | | | | | (\$448.62) |
|----------------------|--|--|--|--|--|--|--|------------|

| | | | | | | | | |
|----------------------------------|---|---------|---|-------|---|--|--|--------|
| INTEREST ON OPERATING CAPITAL | (| \$23.64 | @ | 5.50% |) | | | \$1.30 |
| INTEREST ON EQUIPMENT INVESTMENT | | | | | | | | \$6.58 |

| | | | | | | | | |
|-------------------------|--|--|--|--|--|--|--|------------|
| RETURN TO LAND AND RISK | | | | | | | | (\$456.50) |
|-------------------------|--|--|--|--|--|--|--|------------|

BUDGET SUMMARY

| | | | |
|-------------------------------|----------|------------|---|
| GROSS RETURN | | \$144.00 | |
| VARIABLE OPERATING EXPENSES | \$313.76 | | |
| RETURN OVER VARIABLE EXPENSES | | (\$169.76) | (GROSS MARGIN) |
| FIXED EXPENSES | \$210.41 | | |
| NET FARM INCOME | | (\$380.17) | (RETURN TO CAPITAL, LABOR, LAND & RISK) |
| LABOR AND MANAGEMENT COST | \$68.45 | | |
| NET OPERATING PROFIT | | (\$448.62) | (RETURN TO CAPITAL, LAND & RISK) |
| CAPITAL COSTS | \$7.88 | | |
| RETURN TO LAND AND RISK | | (\$456.50) | |

TABLE 9. Corn for silage, flood-irrigated, budgeted per acre costs and returns for an 80 acre farm, San Juan County,
 Projected 2015
 Planting dates: May 1 - May 20
 Harvesting dates: September 1 - September 30

| ITEM | PRICE | YIELD | TOTAL |
|---------------|---------|---------------------|-------------------|
| GROSS RETURNS | | | |
| CORN SILAGE | \$55.00 | 21.00 TONS (HAULED) | \$1,155.00 |
| TOTAL | | | \$1,155.00 |

| PURCHASED INPUTS | PRICE | QUANTITY | PURCHASED INPUTS | FIXED COST | TOTAL |
|---------------------------|---------|------------|------------------|-----------------|-----------------|
| SEED | \$3.26 | 30 000 | \$97.88 | | \$97.88 |
| ANHYDROUS AMMONIA (NH3) | \$0.33 | 225 LBS | \$73.13 | | \$73.13 |
| HERBICIDE | \$16.00 | 1 ACRE | \$16.00 | | \$16.00 |
| CANAL WATER | | 48 AC. IN. | | \$122.00 | \$122.00 |
| CANAL WATER (MAINTENANCE) | | 1 ACRE | | \$8.00 | \$8.00 |
| SUBTOTAL | | | \$187.00 | \$130.00 | \$317.00 |

| PREHARVEST OPERATIONS | POWER UNIT | ACCOMPLISHMENT RATE | PURCHASED INPUTS | LABOR | FUEL & LUBE | REPAIRS | FIXED COST | TOTAL |
|-----------------------|------------|---------------------|------------------|----------------|----------------|---------------|----------------|-----------------|
| PLOW | 96 HP | 0.67 HR | | \$5.23 | \$10.20 | \$3.42 | \$21.70 | \$40.54 |
| DISC (2X) | 96 HP | 0.34 HR | | \$2.65 | \$5.18 | \$1.27 | \$13.93 | \$23.02 |
| HARROW | 96 HP | 0.19 HR | | \$1.48 | \$2.89 | \$0.18 | \$2.71 | \$7.27 |
| FERTILIZE | 96 HP | 0.05 HR | | \$0.39 | \$0.76 | \$0.05 | \$0.30 | \$1.49 |
| CORRUGATE | 40 HP | 0.21 HR | | \$1.64 | \$1.96 | \$0.75 | \$5.72 | \$10.07 |
| PRE-IRRIGATE | | 0.75 HR | | \$5.63 | | | | \$5.63 |
| PLANTER | 96 HP | 0.26 HR | | \$2.03 | \$3.96 | \$0.67 | \$37.18 | \$43.84 |
| CULTIVATOR (2X) | 40 HP | 0.42 HR | | \$3.28 | \$3.93 | \$1.49 | \$11.44 | \$20.13 |
| IRRIGATE (9X) | | 4.50 HR | | \$33.75 | | | | \$33.75 |
| SUBTOTAL | | 7.39 HR | | \$56.07 | \$28.88 | \$7.83 | \$92.97 | \$185.74 |

| HARVEST OPERATIONS | POWER UNIT | ACCOMPLISHMENT RATE | PURCHASED INPUTS | LABOR | FUEL & LUBE | REPAIRS | FIXED COST | TOTAL |
|---------------------|------------|---------------------|------------------|----------------|----------------|---------------|----------------|-----------------|
| SILAGE CHOPPER, PTO | 96 HP | 0.71 HR | | \$5.54 | \$10.81 | \$0.93 | \$54.64 | \$71.92 |
| LOAD & HAUL | 40 HP | 0.71 HR | | \$5.54 | \$6.64 | \$1.20 | \$29.33 | \$42.71 |
| SUBTOTAL | | 1.42 HR | | \$11.08 | \$17.45 | \$2.13 | \$83.97 | \$114.63 |

| OVERHEAD EXPENSES | ACCOMPLISHMENT RATE | PURCHASED INPUTS | LABOR | FUEL & LUBE | REPAIRS | FIXED COST | TOTAL |
|----------------------------|---------------------|------------------|-----------------|-------------|---------|---------------|-----------------|
| DOWNTIME | 0.89 HR | | \$6.94 | | | | \$6.94 |
| EMPLOYEE BENEFITS | | | \$12.09 | | | | \$12.09 |
| INSURANCE | | \$1.34 | | | | | \$1.34 |
| LAND TAXES | | | | | | \$2.45 | \$2.45 |
| SUPERVISION AND MANAGEMENT | | | \$87.13 | | | | \$87.13 |
| OTHER EXPENSES | | \$263.31 | | | | | \$263.31 |
| SUBTOTAL | 0.89 HR | \$264.65 | \$106.16 | | | \$2.45 | \$373.26 |

TOTAL OPERATING EXPENSES 9.70 HR \$451.65 \$173.30 \$46.33 \$9.96 \$309.39 \$990.63

NET OPERATING PROFIT \$164.37

INTEREST ON OPERATING CAPITAL (\$104.31 @ 5.50%) \$5.74
 INTEREST ON EQUIPMENT INVESTMENT \$87.68

RETURN TO LAND AND RISK \$70.96

| BUDGET SUMMARY | |
|-------------------------------|--|
| GROSS RETURN | \$1,155.00 |
| VARIABLE OPERATING EXPENSES | \$507.94 |
| RETURN OVER VARIABLE EXPENSES | \$647.06 (GROSS MARGIN) |
| FIXED EXPENSES | \$309.39 |
| NET FARM INCOME | \$337.67 (RETURN TO CAPITAL, LABOR, LAND & RISK) |
| LABOR AND MANAGEMENT COST | \$173.30 |
| NET OPERATING PROFIT | \$164.37 (RETURN TO CAPITAL, LAND & RISK) |
| CAPITAL COSTS | \$93.41 |
| RETURN TO LAND AND RISK | \$70.96 |

TABLE 10. Summary of per acre costs and returns for an 80 acre farm, San Juan County,
Projected 2015

| | ALFALFA ESTABLISHMENT | ALFALFA HAY | ANNUAL PASTURE ESTABLISHMENT | ANNUAL PASTURE | CORN FOR SILAGE |
|----------------------------------|--------------------------|----------------|---------------------------------|-------------------|--------------------|
| | TONS | TONS | | AUMS | TONS |
| PRIMARY YIELD | 2.25 | 5.00 | | 12.00 | 21.00 |
| PRIMARY PRICE | \$225.00 | \$245.00 | | \$12.00 | \$55.00 |
| GOVERNMENT PAYMENTS | \$0.00 | \$0.00 | | \$0.00 | \$0.00 |
| SECOND INCOME | \$10.00 | \$20.00 | | \$0.00 | \$0.00 |
| GROSS RETURN | \$516.25 | \$1,245.00 | | \$144.00 | \$1,155.00 |
| CASH OPERATING EXPENSES | | | | | |
| SEED | \$148.80 | | \$43.68 | | \$97.88 |
| FERTILIZER | \$18.00 | \$18.00 | \$29.00 | \$45.00 | \$73.13 |
| CHEMICALS | | \$17.25 | | | \$16.00 |
| CROP INSURANCE | | | | | |
| OTHER PURCHASED INPUTS | \$25.45 | \$56.56 | \$0.00 | \$0.00 | \$0.00 |
| CANAL WATER | | | | | |
| FUEL, OIL & LUBRICANTS-EQUIPMENT | \$32.86 | \$24.91 | \$25.13 | \$3.66 | \$46.33 |
| FUEL-IRRIGATION | | | | | |
| REPAIRS | \$6.96 | \$2.46 | \$6.19 | \$0.91 | \$9.96 |
| CUSTOM CHARGES | | | | | |
| LAND TAXES | \$2.45 | \$2.45 | | \$2.45 | \$2.45 |
| OTHER EXPENSES | \$0.82 | \$264.35 | \$0.50 | \$264.19 | \$264.65 |
| TOTAL CASH EXPENSES | \$235.34 | \$385.99 | \$104.50 | \$316.20 | \$510.39 |
| RETURN OVER CASH EXPENSES | \$280.91 | \$859.01 | (\$104.50) | (\$172.20) | \$644.61 |
| FIXED EXPENSES | \$274.76 | \$298.98 | \$168.95 | \$207.96 | \$306.94 |
| TOTAL EXPENSES | \$510.10 | \$684.97 | \$273.45 | \$524.17 | \$817.33 |
| NET FARM INCOME | \$6.15 | \$560.03 | (\$273.45) | (\$380.17) | \$337.67 |
| LABOR AND MANAGEMENT COSTS | \$104.51 | \$157.83 | \$56.26 | \$68.45 | \$173.30 |
| NET OPERATING PROFIT | (\$98.36) | \$402.20 | (\$329.72) | (\$448.62) | \$164.37 |
| CAPITAL COSTS | | | | | |
| INTEREST ON OPERATING CAPITAL | \$5.76 | \$2.67 | | \$1.30 | \$5.74 |
| INTEREST ON EQUIPMENT INVESTMENT | \$57.05 | \$48.12 | | \$6.58 | \$87.68 |
| TOTAL CAPITAL COSTS | \$62.81 | \$50.78 | \$0.00 | \$7.88 | \$93.41 |
| RETURN TO LAND AND RISK | (\$161.17) | \$351.42 | (\$329.72) | (\$456.50) | \$70.96 |

TABLE 11. Whole farm summary, San Juan County,
Projected 2015

| | | |
|----------------------------------|-------------|-----------------|
| GROSS RETURNS | | |
| OAT HAY | 6.00 ACRES | |
| CROP | | \$3,038 |
| GRAZING | | \$60 |
| ALFALFA HAY | 34.00 ACRES | |
| CROP | | \$41,650 |
| GRAZING | | \$680 |
| PASTURE | 20.00 ACRES | |
| GRAZING | | \$2,880 |
| CORN FOR SILAGE | 20.00 ACRES | |
| CROP | | \$23,100 |
| GROSS RETURN | | <u>\$71,408</u> |
| CASH OPERATING EXPENSES | | |
| SEED | | \$2,894 |
| FERTILIZER | | \$3,112 |
| CHEMICALS | | \$907 |
| CROP INSURANCE | | \$0 |
| OTHER PURCHASED INPUTS | | \$2,076 |
| CANAL WATER | | \$0 |
| FUEL, OIL & LUBRICANTS-EQUIPMENT | | \$2,069 |
| FUEL-IRRIGATION | | \$0 |
| REPAIRS | | \$349 |
| CUSTOM CHARGES | | \$0 |
| LAND TAXES | | \$196 |
| OTHER EXPENSES | | \$19,570 |
| TOTAL CASH EXPENSES | | <u>\$31,172</u> |
| RETURN OVER CASH EXPENSES | | \$40,235 |
| FIXED EXPENSES | | \$20,928 |
| TOTAL EXPENSES | | \$52,100 |
| NET FARM INCOME | | \$19,308 |
| LABOR AND MANAGEMENT COSTS | | \$10,885 |
| NET OPERATING PROFIT | | \$8,423 |
| CAPITAL COSTS | | |
| INTEREST ON OPERATING CAPITAL | | \$266 |
| INTEREST ON EQUIPMENT INVESTMENT | | \$3,863 |
| TOTAL CAPITAL COSTS | | <u>\$4,129</u> |
| RETURN TO LAND AND RISK | | <u>\$4,294</u> |

| LAND VALUE | RETURN TO RISK* | RETURN ON INVESTMENT** |
|---------------|-----------------|------------------------|
| \$1,000 /ACRE | \$1,894 | 6.12% |
| \$2,500 /ACRE | (\$1,706) | 3.27% |
| \$4,000 /ACRE | (\$5,306) | 2.23% |
| \$5,500 /ACRE | (\$8,906) | 1.69% |
| \$7,000 /ACRE | (\$12,506) | 1.36% |
| \$8,500 /ACRE | (\$16,106) | 1.14% |

* 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)