

TABLE 1. Acreage Summary, Cibola County, Projected 2014

BUDGET AREA.....	CIBOLA COUNTY		
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	10.00		360
ACRE FEET PER ACRE OF WATER RIGHTS			3.00

TABLE 2. Basic cost information for Cibola County, Projected 2014

Item		
Labor Wage Rate:	\$/hour	\$7.50
Purchased Inputs		
Seed:		
Alfalfa	\$/pound	\$6.00
Oats	\$/pound	\$0.64
Corn	\$/bag	\$261.00
Wheat	\$/pound	\$0.45
Pasture	\$/pound	\$3.12
Baling wire	\$/pound	\$1.32
Gopher control	\$/acre	\$1.00
Canal water	\$/acre	\$5.00
Energy:		
Diesel fuel	\$/gallon	\$4.05
Gasoline	\$/gallon	\$3.50
Electricity	cents/KwHr	12.65
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	5.50%
Land Interest Rate	percent	5.00%
Equipment Interest Rate	percent	5.50%
Real Interest Rate	percent	3.00%
Land Taxes	\$36.00 /acre (full value)	\$0.37
Personal Property Tax Rate	- NR - R	\$/ \$1,000 (Assessed Value)
		\$30.42 \$26.57
Supervision Factors	\$/labor hour	\$0.50
Management Rate	percent	4.00%

TABLE 3. Overhead cost information for Cibola County, Projected 2014

Item		
Electricity (Domestic & Shop)	\$0.00 per month	\$0
Telephone	\$0.00 per month	\$0
Accounting & Legal		\$145
Misc. Supplies & Hand Tools		\$284
Pickup and Auto		
miles	3,025 @	\$0.500 per mile
Insurance		\$1,513
- general liability (non-employee)		\$0
- fire/theft		\$0
Property Taxes		
- non-planted land		\$0
- other than land & machinery		\$0
Building repairs and maintenance		\$121
Dues, fees, publications		\$121
Farmstead Equipment		\$0
Total		\$2,184
Total Per Planted Acre		\$273.01

TABLE 6. Alfalfa hay, flood-irrigated, budgeted per acre costs and returns for a 10 acre part-time farm, Cibola County, Projected 2014
Harvest Dates: June 15 - September 15

ITEM	PRICE	YIELD						TOTAL	
GROSS RETURNS									
ALFALFA HAY	\$235.00	3.50 TONS (IN FIELD)						\$822.50	
GRAZING	\$10.00	1.00 ACRE						\$10.00	
TOTAL							\$832.50		
PURCHASED INPUTS									
	PRICE	QUANTITY	PURCHASED INPUTS				FIXED COST	TOTAL	
WIRE ESTABLISHMENT: Principal	\$1.32	30 LBS	\$39.59					\$39.59	
: Interest		10 YEARS					\$53.20	\$53.20	
CANAL WATER		48 AC. IN.	\$5.00				\$29.26	\$29.26	
							\$5.00	\$5.00	
SUBTOTAL			\$44.59				\$82.46	\$127.05	
PREHARVEST OPERATIONS									
	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL	
IRRIGATE (6X)		3.75 HR		\$28.13				\$28.13	
SUBTOTAL				\$28.13	\$0.00	\$0.00	\$0.00	\$28.13	
HARVEST OPERATIONS									
SWATHER (CUSTOM) (3X)			\$17.50					\$17.50	
BALER (3X)	40 HP	1.95 HR		\$14.63	\$25.53	\$2.40	\$163.87	\$206.42	
SUBTOTAL			\$17.50	\$14.63	\$25.53	\$2.40	\$163.87	\$223.92	
OVERHEAD EXPENSES									
DOWNTIME		0.49 HR		\$3.66				\$3.66	
EMPLOYEE BENEFITS				\$5.13				\$5.13	
INSURANCE			\$0.51					\$0.51	
LAND TAXES								\$0.37	
SUPERVISION AND MANAGEMENT				\$36.15				\$36.15	
OTHER EXPENSES			\$273.01					\$273.01	
SUBTOTAL			0.49 HR	\$273.52	\$44.94			\$0.37	\$318.82
TOTAL OPERATING EXPENSES		6.19 HR	\$335.61	\$87.69	\$25.53	\$2.40	\$246.69	\$697.92	
NET OPERATING PROFIT							\$134.58		
INTEREST ON OPERATING CAPITAL		(\$26.08	@	5.50%)	\$1.43		
INTEREST ON EQUIPMENT INVESTMENT							\$118.94		
RETURN TO LAND AND RISK							\$14.21		
BUDGET SUMMARY									
GROSS RETURN		\$832.50							
VARIABLE OPERATING EXPENSES	\$363.54								
RETURN OVER VARIABLE EXPENSES	\$468.96	(GROSS MARGIN)							
FIXED EXPENSES	\$246.69								
NET FARM INCOME	\$222.27	(RETURN TO CAPITAL, LABOR, LAND & RISK)							
LABOR AND MANAGEMENT COST	\$87.69								
NET OPERATING PROFIT	\$134.58	(RETURN TO CAPITAL, LAND & RISK)							
CAPITAL COSTS	\$120.38								
RETURN TO LAND AND RISK	\$14.21								

TABLE 7. Permanent pasture establishment, flood-irrigated, budgeted per acre costs and returns for a 10 acre part-time farm, Cibola County,
 Projected 2014
 Planting Dates: May 15 - July 1

ITEM	PRICE	QUANTITY	PURCHASED INPUTS					TOTAL
PURCHASED INPUTS								
GRASS SEED	\$3.12	15 LBS		\$46.80				\$46.80
CANAL WATER		18 AC. IN.		\$5.00				\$5.00
SUBTOTAL				\$51.80				\$51.80
PREHARVEST OPERATIONS								
	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
PLOW	40 HP	1.31 HR		\$9.83	\$17.15	\$1.82	\$59.65	\$88.45
DISC (2X)	40 HP	1.06 HR		\$7.95	\$13.88	\$1.93	\$76.80	\$100.56
DRAG	40 HP	0.31 HR		\$2.33	\$4.06	\$0.34	\$24.22	\$30.94
DRILL	40 HP	0.41 HR		\$3.08	\$5.37	\$0.80	\$13.06	\$22.30
BORDER DISC	40 HP	0.10 HR		\$0.75	\$1.31	\$0.20	\$110.79	\$113.05
IRRIGATE (3X)		2.25 HR		\$16.88				\$16.88
SUBTOTAL		5.44 HR		\$40.80	\$41.76	\$5.09	\$284.52	\$372.16
OVERHEAD EXPENSES								
DOWNTIME		0.80 HR		\$5.98				\$5.98
EMPLOYEE BENEFITS				\$4.90				\$4.90
INSURANCE			\$0.49					\$0.49
LAND TAXES						\$0.37		\$0.37
SUPERVISION AND MANAGEMENT				\$19.68				\$19.68
SUBTOTAL		0.80 HR	\$0.49	\$30.56		\$0.37		\$31.41
TOTAL OPERATING EXPENSES		6.24 HR	\$52.29	\$71.36	\$41.76	\$5.09	\$284.89	\$455.37

TABLE 8. Permanent pasture, flood-irrigated, budgeted per acre costs and returns for a 10 acre part-time farm, Cibola County,
 Projected 2014
 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 : Interest		20 YEARS		\$22.77	\$22.77
CANAL WATER		30 AC. IN.	\$5.00	\$5.74	\$5.74
SUBTOTAL			\$5.00	\$28.51	\$33.51

PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
IRRIGATE (4X)		3.00 HR		\$22.50				\$22.50
SUBTOTAL		3.00 HR		\$22.50				\$22.50

OVERHEAD EXPENSES	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
DOWNTIME		0.00 HR		\$0.00				\$0.00
EMPLOYEE BENEFITS				\$2.70				\$2.70
INSURANCE			\$0.27					\$0.27
LAND TAXES							\$0.37	\$0.37
SUPERVISION AND MANAGEMENT				\$3.90				\$3.90
OTHER EXPENSES			\$273.01					\$273.01
SUBTOTAL		0.00 HR	\$273.28	\$6.60			\$0.37	\$280.24

TOTAL OPERATING EXPENSES 3.00 HR \$278.28 \$29.10 \$0.00 \$0.00 \$28.88 \$336.25

NET OPERATING PROFIT (\$276.25)

INTEREST ON OPERATING CAPITAL (\$2.50 @ 5.50%) \$0.14
 INTEREST ON EQUIPMENT INVESTMENT \$0.00

RETURN TO LAND AND RISK (\$276.39)

BUDGET SUMMARY

GROSS RETURN		\$60.00	
VARIABLE OPERATING EXPENSES	\$278.28		
RETURN OVER VARIABLE EXPENSES		(\$218.28)	(GROSS MARGIN)
FIXED EXPENSES	\$28.88		
NET FARM INCOME		(\$247.15)	(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$29.10		
NET OPERATING PROFIT		(\$276.25)	(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$0.14		
RETURN TO LAND AND RISK		(\$276.39)	

TABLE 9. Field corn, flood-irrigated, budgeted per acre costs and returns for a 10 acre part-time farm, Cibola County,
 Projected 2014
 Planting Dates: May 25 - June 25
 Harvest Dates: October 15 - November 20

ITEM	PRICE	YIELD						TOTAL
GROSS RETURNS CORN	\$7.68	40.00 CWT						\$307.14
TOTAL							\$307.14	
PURCHASED INPUTS		PRICE	QUANTITY	PURCHASED INPUTS		FIXED COST	TOTAL	
CORN SEED		\$3.26	10 000	\$32.63			\$32.63	
CANAL WATER			30 AC. IN.	\$5.00			\$5.00	
SUBTOTAL				\$37.63			\$37.63	
PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
PLOW	40 HP	1.31 HR		\$9.83	\$17.15	\$1.82	\$59.65	\$88.45
DISC (2X)	40 HP	1.06 HR		\$7.95	\$13.88	\$1.93	\$76.80	\$100.56
DRAG	40 HP	0.31 HR		\$2.33	\$4.06	\$0.34	\$24.22	\$30.94
HAND RIDGE		10.00 HR		\$75.00				\$75.00
HAND PLANT		5.00 HR		\$37.50				\$37.50
HAND HOE		5.00 HR		\$37.50				\$37.50
IRRIGATE (3X)		2.25 HR		\$16.88				\$16.88
SUBTOTAL		24.93 HR		\$186.98	\$35.08	\$4.09	\$160.67	\$386.82
HARVEST OPERATIONS								
HAND PICK		25.00 HR		\$187.50				\$187.50
SUBTOTAL		25.00 HR		\$187.50	\$0.00	\$0.00	\$0.00	\$187.50
OVERHEAD EXPENSES								
DOWNTIME		0.67 HR		\$5.03				\$5.03
EMPLOYEE BENEFITS				\$44.94				\$44.94
INSURANCE			\$4.49					\$4.49
LAND TAXES							\$0.37	\$0.37
SUPERVISION AND MANAGEMENT				\$24.22				\$24.22
OTHER EXPENSES			\$273.01					\$273.01
SUBTOTAL		0.67 HR	\$277.50	\$74.18			\$0.37	\$352.05
TOTAL OPERATING EXPENSES		50.60 HR	\$315.12	\$448.66	\$35.08	\$4.09	\$161.04	\$963.99
NET OPERATING PROFIT							(\$656.85)	
INTEREST ON OPERATING CAPITAL		(\$28.60 @ 5.50%)					\$1.57	
INTEREST ON EQUIPMENT INVESTMENT							\$122.50	
RETURN TO LAND AND RISK							(\$780.92)	

BUDGET SUMMARY			
GROSS RETURN		\$307.14	
VARIABLE OPERATING EXPENSES	\$354.29		
RETURN OVER VARIABLE EXPENSES		(\$47.15)	(GROSS MARGIN)
FIXED EXPENSES	\$161.04		
NET FARM INCOME		(\$208.19)	(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$448.66		
NET OPERATING PROFIT		(\$656.85)	(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$124.07		
RETURN TO LAND AND RISK		(\$780.92)	

TABLE 10. Summary of per acre costs and returns, 10 acre part-time farm, Cibola County,
Projected 2014

	ALFALFA ESTABLISHMENT	ALFALFA HAY	PERMANENT PASTURE ESTABLISHMENT	PERMANENT PASTURE	FIELD CORN
	TONS	TONS		AUMS	CWT
PRIMARY YIELD	2.00	3.50		5.00	40.00
PRIMARY PRICE	\$215.00	\$235.00		\$12.00	\$7.68
GOVERNMENT PAYMENTS	\$0.00	\$0.00		\$0.00	\$0.00
SECOND INCOME	\$0.00	\$10.00		\$0.00	\$0.00
GROSS RETURN	\$430.00	\$832.50		\$60.00	\$307.14
CASH OPERATING EXPENSES					
SEED	\$152.00		\$46.80		\$32.63
FERTILIZER					
CHEMICALS					
CROP INSURANCE					
OTHER PURCHASED INPUTS	\$22.62	\$39.59			
CANAL WATER	\$5.00	\$5.00	\$5.00	\$5.00	\$5.00
FUEL, OIL & LUBRICANTS-EQUIPMENT	\$54.32	\$25.53	\$41.76	\$0.00	\$35.08
FUEL-IRRIGATION					
REPAIRS	\$6.22	\$2.40	\$5.09	\$0.00	\$4.09
CUSTOM CHARGES	\$17.50	\$17.50			
LAND TAXES	\$0.37	\$0.37	\$0.37	\$0.37	\$0.37
OTHER EXPENSES	\$0.58	\$273.52	\$0.49	\$273.28	\$277.50
TOTAL CASH EXPENSES	\$258.61	\$363.91	\$99.50	\$278.64	\$354.66
RETURN OVER CASH EXPENSES	\$171.39	\$468.59	(\$99.50)	(\$218.64)	(\$47.52)
FIXED EXPENSES	\$363.36	\$246.33	\$284.52	\$28.51	\$160.67
TOTAL EXPENSES	\$621.98	\$610.23	\$384.02	\$307.15	\$515.33
NET FARM INCOME	(\$191.98)	\$222.27	(\$384.02)	(\$247.15)	(\$208.19)
LABOR AND MANAGEMENT COSTS	\$96.68	\$87.69	\$71.36	\$29.10	\$448.66
NET OPERATING PROFIT	(\$288.65)	\$134.58	(\$455.37)	(\$276.25)	(\$656.85)
CAPITAL COSTS					
INTEREST ON OPERATING CAPITAL	\$5.77	\$1.43		\$0.14	\$1.57
INTEREST ON EQUIPMENT INVESTMENT	\$237.54	\$118.94		\$0.00	\$122.50
TOTAL CAPITAL COSTS	\$243.31	\$120.38	\$0.00	\$0.14	\$124.07
RETURN TO LAND AND RISK	(\$531.96)	\$14.21	(\$455.37)	(\$276.39)	(\$780.92)

TABLE 11. Whole farm summary, Cibola County,
Projected 2014

GROSS RETURNS		
ALFALFA HAY	4 ACRES	
CROP		\$3,290
GRAZING		\$40
PASTURE	4 ACRES	
CROP		\$240
FIELD CORN	1 ACRES	
CROP		\$307
GROSS RETURN		<u>\$3,877</u>
CASH OPERATING EXPENSES		
SEED		\$132
FERTILIZER		\$0
CHEMICALS		\$0
CROP INSURANCE		\$0
OTHER PURCHASED INPUTS		\$170
CANAL WATER		\$50
FUEL, OIL & LUBRICANTS-EQUIPMENT		\$185
FUEL-IRRIGATION		\$0
REPAIRS		\$19
CUSTOM CHARGES		\$79
LAND TAXES		\$4
OTHER EXPENSES		\$2,465
TOTAL CASH EXPENSES		<u>\$3,104</u>
RETURN OVER CASH EXPENSES		\$773
FIXED EXPENSES		\$1,280
TOTAL EXPENSES		<u>\$4,384</u>
NET FARM INCOME		(\$507)
LABOR AND MANAGEMENT COSTS		\$1,000
NET OPERATING PROFIT		(\$1,507)
CAPITAL COSTS		
INTEREST ON OPERATING CAPITAL		\$11
INTEREST ON EQUIPMENT INVESTMENT		\$717
TOTAL CAPITAL COSTS		<u>\$728</u>
RETURN TO LAND AND RISK		<u><u>(\$2,234)</u></u>

LAND VALUE	RETURN TO RISK*	RETURN ON INVESTMENT**
\$1,000 /ACRE	(\$2,534)	-6.77%
\$2,500 /ACRE	(\$2,984)	-4.04%
\$4,000 /ACRE	(\$3,434)	-2.88%
\$5,500 /ACRE	(\$3,884)	-2.24%
\$7,000 /ACRE	(\$4,334)	-1.83%
\$8,500 /ACRE	(\$4,784)	-1.55%

* 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)