

TABLE 6. Alfalfa hay, flood-irrigated, budgeted per acre costs and returns for a 300 acre farm with above average management, Cibola County, Actual 2018
Harvesting Dates: June 15 - September 15

ITEM	PRICE	YIELD						TOTAL	
GROSS RETURNS									
ALFALFA HAY	\$230.00	4.00 TONS (STACKED)						\$920.00	
GRAZING	\$10.00	1.00 ACRE						\$10.00	
TOTAL							\$930.00		
PURCHASED INPUTS									
PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS				FIXED COST	TOTAL	
PHOSPHATE (P2O5)	\$0.49	40 LBS	\$19.60					\$19.60	
WIRE	\$1.32	34 LBS	\$45.25					\$45.25	
GOPHER CONTROL	\$1.50	1 ACRE	\$1.50					\$1.50	
ESTABLISHMENT: Principal		8 YEARS						\$0.00	
: Interest								\$0.00	
CANAL WATER		42 AC. IN.	\$5.00					\$5.00	
SUBTOTAL			\$71.35				\$0.00	\$71.35	
PREHARVEST OPERATIONS									
PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL	
FERT SPREADER	93 HP	0.05 HR		\$0.38	\$0.86	\$0.09	\$1.71	\$3.03	
GOPHER CONTROL	40 HP	0.15 HR		\$1.13	\$1.58	\$0.15	\$1.98	\$4.84	
IRRIGATE (6X)		3.00 HR		\$22.50				\$22.50	
SUBTOTAL	3.20 HR			\$24.00	\$2.44	\$0.24	\$3.69	\$30.38	
HARVEST OPERATIONS									
SWATHER (3X)	16 FT	0.33 HR		\$2.48	\$3.15	\$0.45	\$18.19	\$24.27	
BALER (3X)	65 HP	0.63 HR		\$4.73	\$8.64	\$0.89	\$4.54	\$18.79	
BALEWAGON (3X)	93 HP	0.60 HR		\$4.50	\$10.30	\$2.58	\$12.33	\$29.72	
SUBTOTAL	1.56 HR			\$11.70	\$22.09	\$3.92	\$35.07	\$72.78	
OVERHEAD EXPENSES									
DOWNTIME		0.43 HR		\$3.21				\$3.21	
EMPLOYEE BENEFITS				\$6.43				\$6.43	
INSURANCE			\$0.71					\$0.71	
LAND TAXES							\$36.00	\$36.00	
SUPERVISION AND MANAGEMENT				\$68.96				\$68.96	
OTHER EXPENSES			\$94.97					\$94.97	
SUBTOTAL	0.43 HR		\$95.69	\$78.59				\$36.00	\$210.27
TOTAL OPERATING EXPENSES	5.19 HR		\$167.04	\$114.29	\$24.53	\$4.16	\$74.76	\$384.78	
NET OPERATING PROFIT								\$545.22	
INTEREST ON OPERATING CAPITAL		(\$38.51 @	5.75%)				\$2.21	
INTEREST ON EQUIPMENT INVESTMENT								\$22.91	
RETURN TO LAND AND RISK								\$520.10	

BUDGET SUMMARY		
GROSS RETURN		\$930.00
VARIABLE OPERATING EXPENSES	\$195.73	
RETURN OVER VARIABLE EXPENSES	\$734.27	(GROSS MARGIN)
FIXED EXPENSES	\$74.76	
NET FARM INCOME	\$659.51	(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$114.29	
NET OPERATING PROFIT	\$545.22	(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$25.12	
RETURN TO LAND AND RISK		\$520.10

TABLE 7. Permanent pasture establishment, flood-irrigated, budgeted per acre costs and returns for a 300 acre farm with above average management, Cibola County, Actual 2018
Planting Dates: May 15 - July 1

ITEM	PRICE	QUANTITY	PURCHASED INPUTS						TOTAL
PURCHASED INPUTS									
GRASS SEED	\$2.60	15 LBS		\$39.00					\$39.00
CANAL WATER		18 AC. IN.		\$5.00					\$5.00
SUBTOTAL				\$44.00					\$44.00
PREHARVEST OPERATIONS									
	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL	
FLOW	93 HP	0.67 HR		\$5.03	\$11.51	\$3.39	\$10.35	\$30.27	
DISC (2X)	93 HP	0.14 HR		\$1.05	\$2.40	\$0.65	\$4.32	\$8.42	
FLOAT	93 HP	0.24 HR		\$1.80	\$4.12	\$0.22	\$1.25	\$7.39	
DRILL	65 HP	0.21 HR		\$1.58	\$2.88	\$0.48	\$10.69	\$15.63	
BORDER DISC	40 HP	0.05 HR		\$0.38	\$0.53	\$0.10	\$2.95	\$3.95	
IRRIGATE (3X)		1.50 HR		\$11.25				\$11.25	
SUBTOTAL		2.81 HR		\$21.08	\$21.44	\$4.83	\$29.57	\$76.92	
OVERHEAD EXPENSES									
DOWNTIME		0.33 HR		\$2.46				\$2.46	
EMPLOYEE BENEFITS				\$3.79				\$3.79	
INSURANCE			\$0.42					\$0.42	
LAND TAXES							\$36.00	\$36.00	
SUPERVISION AND MANAGEMENT				\$10.62				\$10.62	
SUBTOTAL		0.33 HR	\$0.42	\$16.87			\$36.00	\$53.29	
TOTAL OPERATING EXPENSES		3.14 HR	\$44.42	\$37.94	\$21.44	\$4.83	\$65.57	\$174.21	

TABLE 8. Permanent pasture, flood-irrigated, budgeted per acre costs and returns for a 300 acre farm with above average management, Cibola County, Actual 2018
Harvesting Dates: September 30 - June 30

ITEM	PRICE	YIELD						TOTAL	
GROSS RETURNS PASTURE	\$12.00	6.00 AUMS						\$72.00	
TOTAL							\$72.00		
PURCHASED INPUTS		PRICE	QUANTITY	PURCHASED INPUTS		FIXED COST	TOTAL		
LIVESTOCK FAC & EQUIP ESTABLISHMENT: Principal			20 YEARS			\$3.00	\$3.00		
: Interest						\$8.71	\$8.71		
CANAL WATER			30 AC. IN.	\$5.00			\$3.85		
SUBTOTAL				\$5.00			\$5.00		
						\$15.56	\$20.56		
PREHARVEST OPERATIONS		POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
IRRIGATE (5X)			2.50 HR		\$18.75				\$18.75
SUBTOTAL			2.50 HR		\$18.75				\$18.75
OVERHEAD EXPENSES									
DOWNTIME			0.00 HR		\$0.00				\$0.00
EMPLOYEE BENEFITS					\$3.38				\$3.38
INSURANCE				\$0.38				\$36.00	\$36.00
LAND TAXES					\$7.54				\$7.54
SUPERVISION AND MANAGEMENT				\$94.97					\$94.97
OTHER EXPENSES									
SUBTOTAL			0.00 HR	\$95.35	\$10.92			\$36.00	\$142.26
TOTAL OPERATING EXPENSES			2.50 HR	\$100.35	\$29.67	\$0.00	\$0.00	\$51.56	\$181.57
NET OPERATING PROFIT									(\$109.57)
INTEREST ON OPERATING CAPITAL		(\$2.50	@	5.75%)			\$0.14
INTEREST ON EQUIPMENT INVESTMENT									\$0.00
RETURN TO LAND AND RISK							(\$109.72)		
BUDGET SUMMARY									
GROSS RETURN			\$72.00						
VARIABLE OPERATING EXPENSES		\$100.35							
RETURN OVER VARIABLE EXPENSES		(\$28.35)	(GROSS MARGIN)						
FIXED EXPENSES		\$51.56							
NET FARM INCOME		(\$79.91)	(RETURN TO CAPITAL, LABOR, LAND & RISK)						
LABOR AND MANAGEMENT COST		\$29.67							
NET OPERATING PROFIT		(\$109.57)	(RETURN TO CAPITAL, LAND & RISK)						
CAPITAL COSTS		\$0.14							
RETURN TO LAND AND RISK		(\$109.72)							

TABLE 9. Wheat for grain, flood-irrigated, budgeted per acre costs and returns for a 300 acre farm with above average management, Cibola County, Actual 2018
 Planting Dates: August 1 - September 30
 Harvesting Dates: July 1 - August 15

ITEM	PRICE	YIELD						TOTAL
GROSS RETURNS								
GRAIN	\$4.75	70.00	BUSHEL					\$332.50
GRAZING	\$11.00	2.00	AUMS					\$22.00
STRAW	\$3.00	50.00	BALE					\$150.00
TOTAL								\$504.50
PURCHASED INPUTS								
PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS				FIXED COST	TOTAL
SEED	\$0.37	80	LBS	\$29.60				\$29.60
BALING WIRE	\$1.32	14	LBS	\$18.85				\$18.85
CANAL WATER		24	ACRE IN.	\$5.00				\$5.00
SUBTOTAL				\$53.45				\$53.45
PREHARVEST OPERATIONS								
PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
FLOW	93 HP	0.67 HR		\$5.03	\$11.51	\$3.39	\$10.35	\$30.27
DISC (2X)	93 HP	0.28 HR		\$2.10	\$4.81	\$1.29	\$8.65	\$16.85
FLOAT (2X)	93 HP	0.48 HR		\$3.60	\$8.24	\$0.44	\$2.50	\$14.78
DRILL	65 HP	0.21 HR		\$1.58	\$2.88	\$0.48	\$10.69	\$15.63
BORDER DISC	40 HP	0.05 HR		\$0.38	\$0.53	\$0.10	\$2.95	\$3.95
IRRIGATE (4X)		2.00 HR		\$15.00				\$15.00
SUBTOTAL		3.69 HR		\$27.68	\$27.96	\$5.70	\$35.14	\$96.48
HARVEST OPERATIONS								
COMBINE (CUSTOM)				\$16.57				\$16.57
HAUL (CUSTOM)				\$13.30				\$13.30
BALER, 2-WIRE	65 HP	0.21 HR		\$1.58	\$2.88	\$0.30	\$1.51	\$6.26
BALE WAGON	93 HP	0.20 HR		\$1.50	\$3.43	\$0.86	\$4.11	\$9.91
SUBTOTAL		0.41 HR		\$29.87	\$3.08	\$6.31	\$1.15	\$46.04
OVERHEAD EXPENSES								
DOWNTIME		0.53 HR		\$3.94				\$3.94
EMPLOYEE BENEFITS				\$5.54				\$5.54
INSURANCE				\$0.62				\$0.62
LAND TAXES							\$36.00	\$36.00
SUPERVISION AND MANAGEMENT				\$38.37				\$38.37
OTHER EXPENSES				\$94.97				\$94.97
SUBTOTAL		0.53 HR		\$95.59	\$47.84		\$36.00	\$179.43
TOTAL OPERATING EXPENSES		4.63 HR		\$178.91	\$78.59	\$34.28	\$6.85	\$375.40
NET OPERATING PROFIT								\$129.10
INTEREST ON OPERATING CAPITAL		(\$38.25 @	5.75%)				\$2.20
INTEREST ON EQUIPMENT INVESTMENT								\$18.83
RETURN TO LAND AND RISK								\$108.07
BUDGET SUMMARY								
GROSS RETURN		\$504.50						
VARIABLE OPERATING EXPENSES	\$220.04							
RETURN OVER VARIABLE EXPENSES	\$284.46	(GROSS MARGIN)						
FIXED EXPENSES	\$76.77							
NET FARM INCOME	\$207.69	(RETURN TO CAPITAL, LABOR, LAND & RISK)						
LABOR AND MANAGEMENT COST	\$78.59							
NET OPERATING PROFIT	\$129.10	(RETURN TO CAPITAL, LAND & RISK)						
CAPITAL COSTS	\$21.03							
RETURN TO LAND AND RISK		\$108.07						

TABLE 11. Summary of per acre costs and returns, 300 acre farm with above average management, Cibola County, Actual 2018

	ALFALFA ESTABLISHMENT	ALFALFA HAY	PERMANENT PASTURE ESTABLISHMENT	PERMANENT PASTURE	WHEAT FOR GRAIN	SWEET CORN
	TONS	TONS		AUMS	BU	DOZ
PRIMARY YIELD	3.50	4.00		6.00	70.00	700.00
PRIMARY PRICE	\$160.00	\$230.00		\$12.00	\$4.75	\$2.00
GOVERNMENT PAYMENTS	\$0.00	\$0.00		\$0.00	\$0.00	\$0.00
SECOND INCOME	\$0.00	\$10.00		\$0.00	\$172.00	\$0.00
GROSS RETURN	\$560.00	\$930.00		\$72.00	\$504.50	\$1,400.00
CASH OPERATING EXPENSES						
SEED	\$87.80		\$39.00		\$29.60	\$912.50
FERTILIZER		\$19.60				\$72.45
CHEMICALS		\$1.50				\$45.64
CROP INSURANCE					\$0.00	
OTHER PURCHASED INPUTS		\$45.25			\$18.85	
CANAL WATER	\$5.00	\$5.00	\$5.00	\$5.00	\$5.00	\$5.00
FUEL, OIL & LUBRICANTS-EQUIPMENT	\$31.21	\$24.53	\$21.44	\$0.00	\$34.28	\$146.73
FUEL-IRRIGATION						
REPAIRS	\$6.79	\$4.16	\$4.83	\$0.00	\$6.85	\$15.31
CUSTOM CHARGES					\$29.87	
LAND TAXES	\$36.00	\$36.00	\$36.00	\$36.00	\$36.00	\$36.00
OTHER EXPENSES	\$95.49	\$95.69	\$0.42	\$95.35	\$95.59	\$101.17
TOTAL CASH EXPENSES	\$262.29	\$231.73	\$106.69	\$136.35	\$256.04	\$1,334.80
RETURN OVER CASH EXPENSES	\$297.71	\$698.27	(\$106.69)	(\$64.35)	\$248.46	\$65.20
FIXED EXPENSES	\$45.58	\$38.76	\$29.57	\$15.56	\$40.77	\$773.53
TOTAL EXPENSES	\$307.87	\$270.49	\$136.26	\$151.91	\$296.81	\$2,108.33
NET FARM INCOME	\$252.13	\$659.51	(\$136.26)	(\$79.91)	\$207.69	(\$708.33)
LABOR AND MANAGEMENT COSTS	\$55.08	\$114.29	\$37.94	\$29.67	\$78.59	\$497.16
NET OPERATING PROFIT	\$197.05	\$545.22	(\$174.21)	(\$109.57)	\$129.10	(\$1,205.49)
CAPITAL COSTS						
INTEREST ON OPERATING CAPITAL	\$3.13	\$2.21		\$0.14	\$2.20	\$30.98
INTEREST ON EQUIPMENT INVESTMENT	\$21.23	\$22.91		\$0.00	\$18.83	\$236.88
TOTAL CAPITAL COSTS	\$24.36	\$25.12	\$0.00	\$0.14	\$21.03	\$267.86
RETURN TO LAND AND RISK	\$172.69	\$520.10	(\$174.21)	(\$109.72)	\$108.07	(\$1,473.35)

TABLE 12. Whole farm summary, Cibola County,
Actual 2018

GROSS RETURNS		
ALFALFA HAY	200 ACRES	
CROP		\$184,000
GRAZING		\$2,000
PASTURE	40 ACRES	
GRAZING		\$2,880
WHEAT FOR GRAIN	20 ACRES	
CROP		\$6,650
GRAZING		\$440
STRAW		\$3,000
SWEET CORN	8 ACRES	
CROP		\$11,200
GROSS RETURN		<u>\$210,170</u>
CASH OPERATING EXPENSES		
SEED		\$10,165
FERTILIZER		\$4,500
CHEMICALS		\$665
CROP INSURANCE		\$0
OTHER PURCHASED INPUTS		\$9,427
CANAL WATER		\$1,475
FUEL, OIL & LUBRICANTS-EQUIPMENT		\$7,589
FUEL-IRRIGATION		\$0
REPAIRS		\$1,271
CUSTOM CHARGES		\$597
LAND TAXES		\$10,620
OTHER EXPENSES		\$28,061
TOTAL CASH EXPENSES		<u>\$74,370</u>
RETURN OVER CASH EXPENSES		\$135,800
FIXED EXPENSES		\$16,228
TOTAL EXPENSES		\$90,598
NET FARM INCOME		\$119,572
LABOR AND MANAGEMENT COSTS		\$31,046
NET OPERATING PROFIT		\$88,526
CAPITAL COSTS		
INTEREST ON OPERATING CAPITAL		\$819
INTEREST ON EQUIPMENT INVESTMENT		\$7,384
TOTAL CAPITAL COSTS		<u>\$8,203</u>
RETURN TO LAND AND RISK		<u><u>\$80,323</u></u>

LAND VALUE	RETURN TO RISK*	RETURN ON INVESTMENT**
\$1,000 /ACRE	\$71,323	21.85%
\$2,000 /ACRE	\$62,323	12.55%
\$3,000 /ACRE	\$53,323	8.81%
\$4,000 /ACRE	\$44,323	6.78%
\$5,000 /ACRE	\$35,323	5.52%

* 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)