

TABLE B2. Summary of per acre costs and returns for a 320 acre farm with above average management, Roswell-Hagerman area, Chaves County, 2001.

	ALFALFA ESTABLISHMENT	ALFALFA HAY	WHEAT -----SPRINKLER-----	OAT HAY	PICKER COTTON	STRIPPER COTTON
		TONS	CWT	TONS	LBS	LBS
PRIMARY YIELD		7.15	35.00	6.00	900.00	900.00
PRIMARY PRICE		136.00	4.33	86.00	0.34	0.27
GOVERNMENT PAYMENTS		0.00	28.00	0.00	89.91	89.91
SECOND INCOME		0.00	44.00	0.00	70.20	70.20
GROSS RETURN		\$972.40	\$223.55	\$516.00	\$463.41	\$400.41
CASH OPERATING EXPENSES						
SEED	\$87.00		\$11.00	\$18.40	\$14.00	\$16.25
FERTILIZER	\$8.56	\$40.00	\$63.00	\$27.20	\$22.24	\$22.24
CHEMICALS		\$63.60	\$18.19		\$68.49	\$59.39
CROP INSURANCE			\$1.96		\$1.47	\$1.47
OTHER PURCHASED INPUTS		\$5.47				
CANAL WATER						
FUEL, OIL & LUBRICANTS-EQUIPMENT	\$11.65	\$11.93	\$9.46	\$10.08	\$33.90	\$39.07
FUEL-IRRIGATION	\$48.75	\$164.53	\$85.31	\$63.98	\$85.31	\$85.31
REPAIRS	\$14.41	\$24.45	\$13.56	\$17.54	\$52.02	\$30.03
CUSTOM CHARGES			\$20.23		\$118.01	\$148.97
LAND TAXES		\$1.49	\$1.49	\$1.49	\$1.49	\$1.49
OTHER EXPENSES	\$0.26	\$63.70	\$63.51	\$63.56	\$64.04	\$64.12
TOTAL CASH EXPENSES	\$170.62	\$375.17	\$287.71	\$202.26	\$460.97	\$468.34
RETURN OVER CASH EXPENSES	(\$170.62)	\$597.23	(\$64.16)	\$313.74	\$2.44	(\$67.93)
FIXED EXPENSES	\$62.78	\$200.58	\$62.68	\$70.90	\$301.54	\$171.93
TOTAL EXPENSES	\$233.40	\$575.75	\$350.38	\$273.16	\$762.51	\$640.28
NET FARM INCOME	(\$233.40)	\$396.65	(\$126.83)	\$242.84	(\$299.10)	(\$239.87)
LABOR AND MANAGEMENT COSTS	\$36.17	\$102.45	\$36.30	\$61.17	\$93.19	\$94.43
NET OPERATING PROFIT	(\$269.58)	\$294.21	(\$163.13)	\$181.66	(\$392.29)	(\$334.29)
CAPITAL COSTS						
INTEREST ON OPERATING CAPITAL		\$8.70	\$6.60	\$3.78	\$7.64	\$7.22
INTEREST ON EQUIPMENT INVESTMENT		\$74.67	\$32.72	\$37.80	\$37.80	\$102.24
TOTAL CAPITAL COSTS	\$0.00	\$83.38	\$39.31	\$41.57	\$45.44	\$109.46
RETURN TO LAND AND RISK	(\$269.58)	\$210.83	(\$202.44)	\$140.09	(\$437.73)	(\$443.76)

TABLE C2. Whole farm summary, Roswell-Hagerman Area, Chaves County, 2001.

GROSS RETURNS		
ALFALFA HAY CROP	175 ACRES	\$170,170
WHEAT CROP	26 ACRES	\$3,865
GRAZING		\$1,122
ASCS DEFICIENCY		\$714
ASCS DIVERSION		\$0
OAT HAY CROP	42 ACRES	\$21,414
UPLAND COTTON (PICKER)	34 ACRES	\$10,312
COTTON LINT		\$2,387
COTTON SEED		\$943
ASCS DEFICIENCY		\$1,224
ASCS DIVERSION		
UPLAND COTTON (STRIPPER)	34 ACRES	\$8,170
COTTON LINT		\$2,387
COTTON SEED		\$1,833
ASCS DEFICIENCY		\$1,224
ASCS DIVERSION		
GROSS RETURN		<u>\$225,765</u>
CASH OPERATING EXPENSES		
SEED		\$5,118
FERTILIZER		\$11,547
CHEMICALS		\$15,942
CROP INSURANCE		\$150
OTHER PURCHASED INPUTS		\$957
CANAL WATER		\$0
FUEL, OIL & LUBRICANTS-EQUIPMENT		\$5,636
FUEL-IRRIGATION		\$41,131
REPAIRS		\$8,647
CUSTOM CHARGES		\$9,593
LAND TAXES		\$462
OTHER EXPENSES		\$19,771
TOTAL CASH EXPENSES		<u>\$118,953</u>
RETURN OVER CASH EXPENSES		\$106,812
FIXED EXPENSES		\$48,502
TOTAL EXPENSES		<u>\$167,455</u>
NET FARM INCOME		\$58,309
LABOR AND MANAGEMENT COSTS		\$29,038
NET OPERATING PROFIT		\$29,272
CAPITAL COSTS		
INTEREST ON OPERATING CAPITAL		\$2,353
INTEREST ON EQUIPMENT INVESTMENT		\$20,232
TOTAL CAPITAL COSTS		<u>\$22,585</u>
RETURN TO LAND AND RISK		<u><u>\$6,686</u></u>

LAND VALUE	RETURN TO RISK*	RETURN ON INVESTMENT**
\$1,000 /ACRE	(\$6,114)	4.35%
\$3,000 /ACRE	(\$31,714)	2.23%
\$5,000 /ACRE	(\$57,314)	1.50%
\$7,000 /ACRE	(\$82,914)	1.13%
\$9,000 /ACRE	(\$108,514)	0.91%

* 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)