

TABLE B10. Summary of per acre costs and returns for a 640 acre farm with above average management, Curry County, 2001.

	ALFALFA ESTABLISHMENT -----SPRINKLER-----	ALFALFA HAY	
PRIMARY YIELD		7.00	TONS
PRIMARY PRICE		126.00	
GOVERNMENT PAYMENTS		0.00	
SECOND INCOME		0.00	
GROSS RETURN		\$882.00	
CASH OPERATING EXPENSES			
SEED	\$87.00		
FERTILIZER	\$21.40	\$105.91	
CHEMICALS		\$34.11	
CROP INSURANCE			
OTHER PURCHASED INPUTS		\$5.43	
CANAL WATER			
FUEL, OIL & LUBRICANTS-EQUIPMENT	\$6.34	\$13.49	
FUEL-IRRIGATION	\$18.10	\$90.48	
REPAIRS	\$6.12	\$29.22	
CUSTOM CHARGES	\$9.00	\$0.00	
LAND TAXES		\$0.92	
OTHER EXPENSES	\$0.03	\$43.57	
TOTAL CASH EXPENSES	\$147.99	\$323.13	
RETURN OVER CASH EXPENSES	(\$147.99)	\$558.87	
FIXED EXPENSES	\$31.35	\$119.95	
TOTAL EXPENSES	\$179.34	\$443.08	
NET FARM INCOME	(\$179.34)	\$438.92	
LABOR AND MANAGEMENT COSTS	\$26.41	\$101.13	
NET OPERATING PROFIT	(\$205.75)	\$337.79	
CAPITAL COSTS			
INTEREST ON OPERATING CAPITAL		\$9.22	
INTEREST ON EQUIPMENT INVESTMENT		\$35.03	
TOTAL CAPITAL COSTS	\$0.00	\$44.25	
RETURN TO LAND AND RISK	(\$205.75)	\$293.54	

TABLE C10. Whole farm summary, Curry County, 2001.

GROSS RETURNS		
ALFALFA HAY	500 ACRES	
CROP		\$441,000
GROSS RETURN		\$441,000
CASH OPERATING EXPENSES		
		\$8,700
		\$55,096
CHEMICALS		\$17,056
CROP INSURANCE		\$0
OTHER PURCHASED INPUTS		\$2,715
CANAL WATER		\$0
FUEL, OIL & LUBRICANTS-EQUIPMENT		\$7,378
FUEL-IRRIGATION		\$47,050
REPAIRS		\$15,224
CUSTOM CHARGES		\$900
LAND TAXES		\$459
OTHER EXPENSES		\$21,786
TOTAL CASH EXPENSES		\$176,363
RETURN OVER CASH EXPENSES		\$264,637
FIXED EXPENSES		\$45,964
TOTAL EXPENSES		\$222,327
NET FARM INCOME		\$218,673
LABOR AND MANAGEMENT COSTS		\$53,208
NET OPERATING PROFIT		\$165,466
CAPITAL COSTS		
INTEREST ON OPERATING CAPITAL		\$4,610
INTEREST ON EQUIPMENT INVESTMENT		\$17,513
TOTAL CAPITAL COSTS		\$22,123
RETURN TO LAND AND RISK		\$143,342

LAND VALUE	RETURN TO RISK*	RETURN ON INVESTMENT**
\$500 /ACRE	\$130,542	24.94%
\$1,000 /ACRE	\$117,742	16.83%
\$1,500 /ACRE	\$104,942	12.69%
\$2,000 /ACRE	\$92,142	10.19%
\$2,500 /ACRE	\$79,342	8.51%

* 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)