

TABLE B11. Summary of per acre costs and returns, 30 acre farm with above average management, De Baca, 2001.

	ALFALFA ESTABLISHMENT	ALFALFA HAY FLOOD	PERMANENT PASTURE EST.	PERMANENT PASTURE
	TONS		AUMS	
PRIMARY YIELD		6.00		10.00
PRIMARY PRICE		96.00		12.00
GOVERNMENT PAYMENTS		0.00		0.00
SECOND INCOME		10.00		0.00
GROSS RETURN		\$586.00		\$120.00
CASH OPERATING EXPENSES				
SEED	\$50.15		\$48.45	
FERTILIZER	\$0.00	\$40.18	\$22.40	\$22.40
CHEMICALS		\$13.18		
CROP INSURANCE				
OTHER PURCHASED INPUTS		\$19.10		
CANAL WATER		\$42.50		\$42.50
FUEL, OIL & LUBRICANTS-EQUIPMENT	\$7.15	\$0.00	\$7.18	\$0.15
FUEL-IRRIGATION				
REPAIRS	\$0.84	\$0.00	\$0.61	\$0.01
CUSTOM CHARGES	\$0.00			
LAND TAXES		\$0.60		\$0.60
OTHER EXPENSES	\$0.27	\$127.00	\$0.38	\$127.23
TOTAL CASH EXPENSES	\$58.42	\$242.56	\$79.02	\$192.89
RETURN OVER CASH EXPENSES	(\$58.42)	\$343.44	(\$79.02)	(\$72.89)
FIXED EXPENSES	\$62.24	\$33.43	\$73.53	\$27.44
TOTAL EXPENSES	\$120.66	\$275.99	\$152.54	\$220.33
NET FARM INCOME	(\$120.66)	\$310.01	(\$152.54)	(\$100.33)
LABOR AND MANAGEMENT COSTS	\$45.95	\$60.28	\$59.58	\$49.08
NET OPERATING PROFIT	(\$166.61)	\$249.73	(\$212.13)	(\$149.41)
CAPITAL COSTS				
INTEREST ON OPERATING CAPITAL		\$3.15		\$4.81
INTEREST ON EQUIPMENT INVESTMENT		\$0.00		\$4.71
TOTAL CAPITAL COSTS	\$0.00	\$3.15	\$0.00	\$9.52
RETURN TO LAND AND RISK	(\$166.61)	\$246.58	(\$212.13)	(\$158.93)

TABLE C11. Whole farm budget summary, De Baca, 2002.

GROSS RETURNS			
ALFALFA HAY	10.0 ACRES		
CROP		\$5,760	
GRAZING		\$100	
PERMANENT PASTURE	20.0 ACRES		
GRAZING		\$2,400	
	0.0 ACRES		
CROP		\$0	
GRAZING		\$0	
GRASS HAY	0.0 ACRES		
CROP		\$0	
GRAZING		\$0	
LIVESTOCK		\$5,838	
GROSS RETURN			\$14,098
CASH OPERATING EXPENSES			
FORAGE		\$2,500	
LIVESTOCK FEED		\$12,692	
SEED		\$199	
FERTILIZER		\$872	
CHEMICALS		\$132	
CROP INSURANCE		\$0	
OTHER PURCHASED INPUTS		\$191	
CANAL WATER		\$1,275	
FUEL, OIL & LUBRICANTS-EQUIPMENT		\$32	
FUEL-IRRIGATION		\$0	
REPAIRS		\$3	
CUSTOM CHARGES		\$0	
LAND TAXES		\$18	
OTHER EXPENSES		\$3,816	
TOTAL CASH EXPENSES			\$21,730
RETURN OVER CASH EXPENSES			(\$7,632)
FIXED EXPENSES		\$654	
TOTAL EXPENSES			\$22,383
NET FARM INCOME			(\$8,285)
LABOR AND MANAGEMENT COSTS		\$1,782	
NET OPERATING PROFIT			(\$10,067)
CAPITAL COSTS			
INTEREST ON OPERATING CAPITAL		\$128	
INTEREST ON EQUIPMENT INVESTMENT		\$94	
TOTAL CAPITAL COSTS			\$222
RETURN TO LAND AND RISK			(\$10,289)

LAND VALUE	RETURN TO RISK*	RETURN ON INVESTMENT**
\$1,000 /ACRE	(\$11,489)	-30.01%
\$2,000 /ACRE	(\$12,689)	-15.84%
\$3,000 /ACRE	(\$13,889)	-10.76%
\$4,000 /ACRE	(\$15,089)	-8.15%
\$5,000 /ACRE	(\$16,289)	-6.56%
\$6,000 /ACRE	(\$17,489)	-5.48%
\$7,000 /ACRE	(\$18,689)	-4.71%

* 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)