

TABLE B17. Summary of per acre costs and returns, 200 acre farm with above average management, Eastern Slope, 2001.

	ALFALFA ESTABLISHMENT	ALFALFA HAY	GRASS HAY EST.	GRASS HAY PASTURE
	-----FLOOD-----			
	TONS		TONS/AUMS	
PRIMARY PRICE				227.90
PRIMARY YIELD		4.25		1.00
PRIMARY PRICE		126.00		0.00
GOVERNMENT PAYMENTS		0.00		0.00
SECOND INCOME		10.00		10.00
GROSS RETURN		\$545.50		\$237.90
CASH OPERATING EXPENSES				
SEED	\$59.00		\$48.45	
FERTILIZER	\$11.12	\$21.80	\$22.40	\$22.40
CHEMICALS		\$0.00		
CROP INSURANCE				
OTHER PURCHASED INPUTS		\$13.53		
CANAL WATER		\$4.00		\$4.00
FUEL, OIL & LUBRICANTS-EQUIPMENT	\$7.57	\$0.15	\$10.11	\$0.15
FUEL-IRRIGATION				
REPAIRS	\$1.24	\$0.02	\$1.37	\$0.02
CUSTOM CHARGES	\$12.73	\$216.55		
LAND TAXES		\$1.91		\$1.91
OTHER EXPENSES	\$0.58	\$20.21	\$0.58	\$20.49
TOTAL CASH EXPENSES	\$92.24	\$278.17	\$82.91	\$411.61
RETURN OVER CASH EXPENSES	(\$92.24)	\$267.33	(\$82.91)	(\$173.71)
FIXED EXPENSES	\$52.24	\$46.21	\$89.53	\$24.52
TOTAL EXPENSES	\$144.48	\$324.38	\$172.44	\$436.13
NET FARM INCOME	(\$144.48)	\$221.12	(\$172.44)	(\$198.23)
LABOR AND MANAGEMENT COSTS	\$60.26	\$53.70	\$60.60	\$48.28
NET OPERATING PROFIT	(\$204.74)	\$167.42	(\$233.05)	(\$246.51)
CAPITAL COSTS				
INTEREST ON OPERATING CAPITAL		\$1.54		\$3.21
INTEREST ON EQUIPMENT INVESTMENT		\$2.47		\$3.21
TOTAL CAPITAL COSTS	\$0.00	\$4.01	\$0.00	\$6.43
RETURN TO LAND AND RISK	(\$204.74)	\$163.41	(\$233.05)	(\$63.71)

TABLE C17. Whole farm budget summary, Eastern Slope, 2001.

GROSS RETURNS		
ALFALFA HAY	40.0 ACRES	
CROP		\$21,420
GRAZING		\$400
GRASS HAY	160.0 ACRES	
CROP		\$39,904
GRAZING		\$1,600
SUDAN HAY (AOH)	0.0 ACRES	
CROP		\$0
GRAZING		\$0
	0.0 ACRES	
		\$0
		\$0
LIVESTOCK		\$46,956
GROSS RETURN		<u>\$110,280</u>
CASH OPERATING EXPENSES		
FORAGE		\$3,076
LIVESTOCK FEED		\$22,788
SEED		\$801
FERTILIZER		\$4,713
CHEMICALS		\$0
CROP INSURANCE		\$0
OTHER PURCHASED INPUTS		\$541
CANAL WATER		\$800
FUEL, OIL & LUBRICANTS-EQUIPMENT		\$164
FUEL-IRRIGATION		\$0
REPAIRS		\$24
CUSTOM CHARGES		\$8,751
LAND TAXES		\$382
OTHER EXPENSES		\$4,096
TOTAL CASH EXPENSES		<u>\$46,135</u>
RETURN OVER CASH EXPENSES		\$64,145
FIXED EXPENSES		\$3,172
TOTAL EXPENSES		<u>\$49,307</u>
NET FARM INCOME		\$60,973
LABOR AND MANAGEMENT COSTS		\$10,780
NET OPERATING PROFIT		\$50,193
CAPITAL COSTS		
INTEREST ON OPERATING CAPITAL		\$576
INTEREST ON EQUIPMENT INVESTMENT		\$613
TOTAL CAPITAL COSTS		<u>\$1,189</u>
RETURN TO LAND AND RISK		<u>\$49,004</u>

LAND VALUE	RETURN TO RISK*	RETURN ON INVESTMENT**
\$1,000 /ACRE	\$41,004	24.07%
\$2,000 /ACRE	\$33,004	12.29%
\$3,000 /ACRE	\$25,004	8.25%
\$4,000 /ACRE	\$17,004	6.21%
\$5,000 /ACRE	\$9,004	4.98%
\$6,000 /ACRE	\$1,004	4.15%
\$7,000 /ACRE	(\$6,996)	3.56%

\* 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)