

TABLE B16. Summary of per acre costs and returns, 60 acre part-time farm with above average management, Grant and Catron Counties, 2001.

	ALFALFA ESTABLISHMENT	ALFALFA HAY -----FLOOD-----	PERMANENT PASTURE EST.	PERMANENT PASTURE
		TONS		AUMS
PRIMARY YIELD		5.25		12.00
PRIMARY PRICE		126.00		12.00
GOVERNMENT PAYMENTS		0.00		0.00
SECOND INCOME		10.00		0.00
GROSS RETURN		\$671.50		\$144.00
CASH OPERATING EXPENSES				
SEED	\$87.00		\$50.00	
FERTILIZER				
CHEMICALS				
CROP INSURANCE				
OTHER PURCHASED INPUTS		\$16.71		
CANAL WATER		\$10.00		\$10.00
FUEL, OIL & LUBRICANTS-EQUIPMENT	\$17.50	\$23.30	\$17.50	\$2.19
FUEL-IRRIGATION				
REPAIRS	\$2.48	\$6.29	\$2.48	\$0.34
CUSTOM CHARGES				
LAND TAXES		\$2.02		\$2.02
OTHER EXPENSES	\$0.73	\$176.40	\$0.73	\$175.83
TOTAL CASH EXPENSES	\$107.72	\$234.73	\$70.72	\$190.37
RETURN OVER CASH EXPENSES	(\$107.72)	\$436.77	(\$70.72)	(\$46.37)
FIXED EXPENSES	\$91.72	\$175.90	\$91.72	\$37.25
TOTAL EXPENSES	\$199.43	\$410.63	\$162.43	\$227.62
NET FARM INCOME	(\$199.43)	\$260.87	(\$162.43)	(\$83.62)
LABOR AND MANAGEMENT COSTS	\$68.26	\$132.62	\$65.67	\$53.41
NET OPERATING PROFIT	(\$267.69)	\$128.26	(\$228.10)	(\$137.03)
CAPITAL COSTS				
INTEREST ON OPERATING CAPITAL		\$1.38		\$0.49
INTEREST ON EQUIPMENT INVESTMENT		\$67.39		\$12.64
TOTAL CAPITAL COSTS	\$0.00	\$68.77	\$0.00	\$13.13
RETURN TO LAND AND RISK	(\$267.69)	\$59.49	(\$228.10)	(\$150.16)

TABLE C16. Whole farm summary, Grant and Catron Counties, 2001.

GROSS RETURNS		
ALFALFA HAY	25 ACRES	
CROP		\$16,538
GRAZING		\$250
PASTURE	10 ACRES	
GRAZING		\$1,440
WHEAT PASTURE	0 ACRES	
GRAZING		\$0
LIVESTOCK		\$54,319
GROSS RETURN		\$72,547
CASH OPERATING EXPENSES		
FORAGE		\$2,092
LIVESTOCK		\$16,168
SEED		\$448
FERTILIZER		\$0
CHEMICALS		\$0
CROP INSURANCE		\$0
OTHER PURCHASED INPUTS		\$418
CANAL WATER		\$350
FUEL, OIL & LUBRICANTS-EQUIPMENT		\$709
FUEL-IRRIGATION		\$0
REPAIRS		\$176
CUSTOM CHARGES		\$0
LAND TAXES		\$71
OTHER EXPENSES		\$6,173
TOTAL CASH EXPENSES		\$26,604
RETURN OVER CASH EXPENSES		\$45,942
FIXED EXPENSES		\$4,053
TOTAL EXPENSES		\$30,657
NET FARM INCOME		\$41,889
LABOR AND MANAGEMENT COSTS		\$4,254
NET OPERATING PROFIT		\$37,636
CAPITAL COSTS		
INTEREST ON OPERATING CAPITAL		\$39
INTEREST ON EQUIPMENT INVESTMENT		\$1,811
TOTAL CAPITAL COSTS		\$1,850
RETURN TO LAND AND RISK		\$35,785

LAND VALUE	RETURN TO RISK*	RETURN ON INVESTMENT**
\$1,000 /ACRE	\$33,385	39.29%
\$2,000 /ACRE	\$30,985	24.16%
\$3,000 /ACRE	\$28,585	17.44%
\$4,000 /ACRE	\$26,185	13.65%
\$5,000 /ACRE	\$23,785	11.21%

* 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)