

TABLE B27. Summary of per acre costs and returns for a 640 acre farm with above average management, Dell City area, Otero County, 2001.

	ALFALFA ESTABLISHMENT -----SPRINKLER-----	ALFALFA HAY	WHEAT	WHITE CORN -----FLOOD-----	STRIPPER COTTON	GRAIN SORGHUM
		TONS	CWT	CWT	LBS	CWT
PRIMARY YIELD		5.00	35.00	70.00	1000.00	50.00
PRIMARY PRICE		126.00	4.33	7.50	0.50	3.75
GOVERNMENT PAYMENTS		0.00	28.00	0.00	99.90	29.00
SECOND INCOME		15.00	25.00	20.00	100.00	13.00
GROSS RETURN		\$645.00	\$204.55	\$545.00	\$699.90	\$229.50
CASH OPERATING EXPENSES						
SEED	\$87.00		\$24.00	\$22.44	\$17.50	\$12.48
FERTILIZER		\$115.30	\$18.75	\$66.60	\$23.04	\$42.06
CHEMICALS				\$56.18	\$37.93	\$26.69
CROP INSURANCE			\$0.29		\$0.59	\$1.96
OTHER PURCHASED INPUTS		\$0.16			\$55.20	
CANAL WATER						
FUEL, OIL & LUBRICANTS-EQUIPMENT	\$14.60	\$16.27	\$5.57	\$12.32	\$31.22	\$12.79
FUEL-IRRIGATION	\$10.07	\$67.11	\$41.94	\$80.53	\$50.33	\$60.40
REPAIRS	\$10.57	\$42.84	\$5.40	\$13.60	\$37.61	\$12.43
CUSTOM CHARGES			\$33.00	\$44.25	\$189.20	\$22.00
LAND TAXES		\$3.08	\$3.08	\$3.08	\$3.08	\$3.08
OTHER EXPENSES	\$0.33	\$57.65	\$57.33	\$57.65	\$57.85	\$57.56
TOTAL CASH EXPENSES	\$122.56	\$302.41	\$189.35	\$356.65	\$503.55	\$251.44
RETURN OVER CASH EXPENSES	(\$122.56)	\$342.59	\$15.20	\$188.35	\$196.35	(\$21.94)
FIXED EXPENSES	\$40.78	\$111.91	\$31.28	\$61.06	\$74.33	\$57.64
TOTAL EXPENSES	\$163.34	\$414.32	\$220.63	\$417.71	\$577.89	\$309.09
NET FARM INCOME	(\$163.34)	\$230.68	(\$16.08)	\$127.29	\$122.01	(\$79.59)
LABOR AND MANAGEMENT COSTS	\$33.83	\$98.07	\$43.47	\$90.65	\$120.24	\$65.57
NET OPERATING PROFIT	(\$197.18)	\$132.61	(\$59.55)	\$36.64	\$1.77	(\$145.15)
CAPITAL COSTS						
INTEREST ON OPERATING CAPITAL		\$6.98	\$3.02	\$8.63	\$7.92	\$5.70
INTEREST ON EQUIPMENT INVESTMENT		\$28.25	\$9.49	\$22.17	\$38.80	\$22.74
TOTAL CAPITAL COSTS	\$0.00	\$35.23	\$12.52	\$30.80	\$46.72	\$28.44
RETURN TO LAND AND RISK	(\$197.18)	\$97.38	(\$72.06)	\$5.85	(\$44.95)	(\$173.59)

TABLE C27. Whole farm summary, Dell City area, Otero County, 2001.

GROSS RETURNS		
ALFALFA HAY	280 ACRES	
CROP		\$180,600
WHEAT	170 ACRES	
CROP		\$25,764
GRAZING		\$4,250
ASCS DEFICIENCY		\$4,760
ASCS DIVERSION		\$0
WHITE CORN	50 ACRES	
CROP		\$26,250
GRAZING		\$1,000
COTTON	84.5 ACRES	
LINT		\$42,250
SEED		\$8,450
ASCS DEFICIENCY		\$2,546
ASCS DIVERSION		\$3,380
GRAIN SORGHUM	25.5 ACRES	
CROP		\$4,781
ASCS DEFICIENCY		\$740
ASCS DIVERSION		\$0
GRAZING		\$332
GROSS RETURN		<u>\$305,102</u>
CASH OPERATING EXPENSES		
SEED		\$11,871
FERTILIZER		\$41,821
CHEMICALS		\$6,694
CROP INSURANCE		\$150
OTHER PURCHASED INPUTS		\$4,709
CANAL WATER		\$0
FUEL, OIL & LUBRICANTS-EQUIPMENT		\$9,900
FUEL-IRRIGATION		\$36,304
REPAIRS		\$17,680
CUSTOM CHARGES		\$24,371
LAND TAXES		\$1,876
OTHER EXPENSES		\$35,147
TOTAL CASH EXPENSES		<u>\$190,523</u>
RETURN OVER CASH EXPENSES		\$114,578
FIXED EXPENSES		\$38,697
TOTAL EXPENSES		\$229,220
NET FARM INCOME		\$75,882
LABOR AND MANAGEMENT COSTS		\$53,108
NET OPERATING PROFIT		\$22,773
CAPITAL COSTS		
INTEREST ON OPERATING CAPITAL		\$3,714
INTEREST ON EQUIPMENT INVESTMENT		\$14,490
TOTAL CAPITAL COSTS		<u>\$18,205</u>
RETURN TO LAND AND RISK		<u>\$4,569</u>

LAND VALUE	RETURN TO RISK*	RETURN ON INVESTMENT**
\$500 /ACRE	(\$8,231)	3.89%
\$750 /ACRE	(\$14,631)	3.06%
\$1,000 /ACRE	(\$21,031)	2.52%
\$1,250 /ACRE	(\$27,431)	2.14%
\$1,500 /ACRE	(\$33,831)	1.86%

* 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)