

TABLE B31. Summary of per acre costs and returns for an 800 acre farm with above average management, San Jon-Nara Visa area, Quay County, 2001.

	ALFALFA ESTABLISHMENT	ALFALFA HAY -----DRYLAND-----	GRAIN SORGHUM	WHEAT
		TONS	CWT	BU
PRIMARY YIELD		1.50	25.00	22.00
PRIMARY PRICE		116.00	3.75	2.60
GOVERNMENT PAYMENTS		0.00	14.50	10.43
SECOND INCOME		12.00	5.00	2.00
GROSS RETURN		\$186.00	\$113.25	\$69.63
CASH OPERATING EXPENSES				
SEED	\$29.00		\$2.78	\$4.00
FERTILIZER	\$4.80			
CHEMICALS				
CROP INSURANCE			\$0.13	\$0.15
OTHER PURCHASED INPUTS	\$0.04	\$4.80	\$0.14	\$0.12
CANAL WATER				
FUEL, OIL & LUBRICANTS-EQUIPMENT	\$2.22	\$6.59	\$6.99	\$6.82
FUEL-IRRIGATION				
REPAIRS	\$1.82	\$3.49	\$9.00	\$8.11
CUSTOM CHARGES	\$4.50	\$0.00		
LAND TAXES		\$0.33	\$0.33	\$0.33
OTHER EXPENSES		\$23.10	\$23.10	\$23.10
TOTAL CASH EXPENSES	\$42.38	\$38.30	\$42.45	\$42.62
RETURN OVER CASH EXPENSES	(\$42.38)	\$147.70	\$70.80	\$27.00
FIXED EXPENSES	\$5.35	\$48.66	\$24.17	\$28.98
TOTAL EXPENSES	\$47.73	\$86.96	\$66.62	\$71.60
NET FARM INCOME	(\$47.73)	\$99.04	\$46.63	(\$1.97)
LABOR AND MANAGEMENT COSTS	\$6.56	\$25.56	\$18.40	\$11.08
NET OPERATING PROFIT	(\$54.30)	\$73.48	\$28.23	(\$13.05)
CAPITAL COSTS				
INTEREST ON OPERATING CAPITAL		\$0.27	\$1.03	\$0.42
INTEREST ON EQUIPMENT INVESTMENT		\$34.40	\$15.61	\$17.13
TOTAL CAPITAL COSTS	\$0.00	\$34.68	\$16.64	\$17.55
RETURN TO LAND AND RISK	(\$54.30)	\$38.80	\$11.60	(\$30.60)

TABLE C31. Whole farm summary, San Jon-Nara Visa area, Quay County, 2001.

GROSS RETURNS		
ALFALFA HAY	60 ACRES	
CROP		\$10,440
GRAZING		\$720
GRAIN SORGHUM	400 ACRES	
CROP		\$37,500
GRAZING		\$2,000
ASCS DEFICIENCY		\$4,191
WHEAT	340 ACRES	
CROP		\$19,448
GRAZING		\$680
ASCS DEFICIENCY		\$3,546
ASCS DIVERSION		\$0
GROSS RETURN		\$78,524
CASH OPERATING EXPENSES		
SEED		\$2,644
FERTILIZER		\$29
CHEMICALS		\$0
CROP INSURANCE		\$100
OTHER PURCHASED INPUTS		\$383
CANAL WATER		\$0
FUEL, OIL & LUBRICANTS-EQUIPMENT		\$5,522
FUEL-IRRIGATION		\$0
REPAIRS		\$6,576
CUSTOM CHARGES		\$27
LAND TAXES		\$268
OTHER EXPENSES		\$18,477
TOTAL CASH EXPENSES		\$34,025
RETURN OVER CASH EXPENSES		\$44,499
FIXED EXPENSES		\$21,928
TOTAL EXPENSES		\$55,954
NET FARM INCOME		\$22,570
LABOR AND MANAGEMENT COSTS		\$12,700
NET OPERATING PROFIT		\$9,871
CAPITAL COSTS		
INTEREST ON OPERATING CAPITAL		\$569
INTEREST ON EQUIPMENT INVESTMENT		\$14,133
TOTAL CAPITAL COSTS		\$14,702
RETURN TO LAND AND RISK		(\$4,831)

LAND VALUE	RETURN TO RISK*	RETURN ON INVESTMENT**
\$150 /ACRE	(\$9,631)	0.04
\$300 /ACRE	(\$14,431)	0.03
\$450 /ACRE	(\$19,231)	0.02
\$600 /ACRE	(\$24,031)	0.02
\$750 /ACRE	(\$28,831)	0.01
\$900 /ACRE	(\$33,631)	0.01

* 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)