

TABLE B35. Summary of per acre costs and returns for a 320 acre farm with above average management, Portales Valley, Roosevelt County, New Mexico, 2001.

	WHEAT	CORN	GRAIN SORGHUM -----FLOOD-----	STRIPPER COTTON	PEANUTS
	BU	CWT	CWT	LBS	LBS
PRIMARY YIELD	40.00	70.00	50.00	750.00	3380.00
PRIMARY PRICE	2.60	4.29	3.75	0.28	0.28
GOVERNMENT PAYMENTS	18.96	35.00	29.00	44.93	0.00
SECOND INCOME	40.00	15.00	9.00	58.50	0.00
GROSS RETURN	\$162.96	\$350.30	\$225.50	\$340.43	\$929.50
CASH OPERATING EXPENSES					
SEED	\$9.60	\$31.41	\$6.66	\$17.50	\$85.00
FERTILIZER	\$44.00	\$66.00	\$44.00	\$43.60	\$40.00
CHEMICALS	\$19.54	\$48.64	\$35.05	\$45.09	\$72.89
CROP INSURANCE	\$0.74	\$0.98	\$0.98	\$0.71	
OTHER PURCHASED INPUTS					\$11.64
CANAL WATER					
FUEL, OIL & LUBRICANTS-EQUIPMENT	\$8.95	\$18.73	\$18.42	\$31.47	\$36.26
FUEL-IRRIGATION	\$33.78	\$51.35	\$27.03	\$20.27	\$32.43
REPAIRS	\$15.47	\$29.76	\$25.43	\$38.53	\$45.39
CUSTOM CHARGES	\$24.50	\$37.10	\$34.13	\$134.05	\$12.00
LAND TAXES	\$0.51	\$0.51	\$0.51	\$0.51	\$0.51
OTHER EXPENSES	\$67.99	\$68.27	\$68.12	\$68.28	\$68.41
TOTAL CASH EXPENSES	\$225.08	\$352.75	\$260.32	\$400.02	\$404.54
RETURN OVER CASH EXPENSES	(\$62.12)	(\$2.45)	(\$34.82)	(\$59.59)	\$524.96
FIXED EXPENSES	\$45.04	\$72.16	\$54.52	\$88.01	\$125.71
TOTAL EXPENSES	\$270.12	\$424.90	\$314.85	\$488.03	\$530.25
NET FARM INCOME	(\$107.16)	(\$74.60)	(\$89.35)	(\$147.61)	\$399.25
LABOR AND MANAGEMENT COSTS	\$44.33	\$75.07	\$59.37	\$78.95	\$129.91
NET OPERATING PROFIT	(\$151.48)	(\$149.67)	(\$148.72)	(\$226.56)	\$269.34
CAPITAL COSTS					
INTEREST ON OPERATING CAPITAL	\$4.66	\$8.84	\$5.56	\$7.15	\$11.09
INTEREST ON EQUIPMENT INVESTMENT	\$15.60	\$28.44	\$26.52	\$51.38	\$68.08
TOTAL CAPITAL COSTS	\$20.25	\$37.28	\$32.08	\$58.53	\$79.16
RETURN TO LAND AND RISK	(\$171.74)	(\$186.95)	(\$180.80)	(\$285.09)	\$190.17

TABLE C35. Whole farm summary, Portales Valley, Roosevelt County, 2001.

GROSS RETURNS		
WHEAT	68 ACRES	
CROP		\$7,072
GRAZING		\$2,720
ASCS DEFICIENCY		\$1,289
ASCS DIVERSION		\$0
CORN FOR GRAIN	51 ACRES	
CROP		\$15,315
GRAZING		\$765
ASCS DEFICIENCY		\$1,785
ASCS DIVERSION		\$0
GRAIN SORGHUM	51 ACRES	
CROP		\$9,563
GRAZING		\$459
ASCS DEFICIENCY		\$1,479
ASCS DIVERSION		\$0
UPLAND COTTON	70 ACRES	
LINT		\$14,490
SEED		\$4,095
ASCS DEFICIENCY		\$1,527
PEANUTS	60 ACRES	
CROP		\$55,770
GROSS RETURN		<u>\$116,330</u>
CASH OPERATING EXPENSES		
SEED		\$8,919
FERTILIZER		\$14,054
CHEMICALS		\$13,126
CROP INSURANCE		\$200
OTHER PURCHASED INPUTS		\$698
CANAL WATER		\$0
FUEL, OIL & LUBRICANTS-EQUIPMENT		\$6,882
FUEL-IRRIGATION		\$9,659
REPAIRS		\$9,288
CUSTOM CHARGES		\$15,402
LAND TAXES		\$153
OTHER EXPENSES		\$20,463
TOTAL CASH EXPENSES		<u>\$98,845</u>
RETURN OVER CASH EXPENSES		\$17,484
FIXED EXPENSES		\$23,227
TOTAL EXPENSES		\$122,073
NET FARM INCOME		(\$5,743)
LABOR AND MANAGEMENT COSTS		\$23,192
NET OPERATING PROFIT		(\$28,935)
CAPITAL COSTS		
INTEREST ON OPERATING CAPITAL		\$2,216
INTEREST ON EQUIPMENT INVESTMENT		\$11,545
TOTAL CAPITAL COSTS		<u>\$13,762</u>
RETURN TO LAND AND RISK		<u>(\$42,696)</u>

LAND VALUE	RETURN TO RISK*	RETURN ON INVESTMENT**
\$500 /ACRE	(\$49,096)	-8.06%
\$750 /ACRE	(\$52,296)	-6.59%
\$1,000 /ACRE	(\$55,496)	-5.58%
\$1,250 /ACRE	(\$58,696)	-4.83%
\$1,500 /ACRE	(\$61,896)	-4.26%
\$1,750 /ACRE	(\$65,096)	-3.81%
\$2,000 /ACRE	(\$68,296)	-3.45%

\* 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)