

TABLE B34. Summary of per acre costs and returns for a 320 acre farm with above average management, Portales Valley, Roosevelt County, New Mexico, 2001.

	GRAIN			
	WHEAT	CORN	SORGHUM	PEANUTS
	-----SPRINKLER-----			
	BU	CWT	CWT	LBS
PRIMARY YIELD	40.00	70.00	50.00	3380.00
PRIMARY PRICE	2.60	3.84	3.75	0.28
GOVERNMENT PAYMENTS	18.96	35.00	29.00	0.00
SECOND INCOME	40.00	15.00	9.00	0.00
GROSS RETURN	\$162.96	\$318.80	\$225.50	\$930
CASH OPERATING EXPENSES				
SEED	\$9.60	\$31.41	\$6.66	\$85.00
FERTILIZER	\$50.40	\$66.00	\$60.00	\$43.20
CHEMICALS	\$19.54	\$55.64	\$36.10	\$72.89
CROP INSURANCE	\$0.61	\$0.95	\$0.95	
OTHER PURCHASED INPUTS				\$11.61
CANAL WATER				
FUEL, OIL & LUBRICANTS-EQUIPMENT	\$4.68	\$15.59	\$15.59	\$32.02
FUEL-IRRIGATION	\$46.90	\$78.17	\$52.12	\$57.33
REPAIRS	\$28.34	\$58.96	\$46.46	\$69.18
CUSTOM CHARGES	\$24.50	\$37.10	\$34.13	\$39.00
LAND TAXES	\$0.51	\$0.51	\$0.51	\$0.51
OTHER EXPENSES	\$82.72	\$82.98	\$82.96	\$83.22
TOTAL CASH EXPENSES	\$267.80	\$427.32	\$335.48	\$493.96
RETURN OVER CASH EXPENSES	(\$104.84)	(\$108.52)	(\$109.98)	\$435.54
FIXED EXPENSES	\$54.71	\$113.34	\$92.67	\$174.39
TOTAL EXPENSES	\$322.51	\$540.66	\$428.15	\$668.35
NET FARM INCOME	(\$159.55)	(\$221.86)	(\$202.65)	\$261.15
LABOR AND MANAGEMENT COSTS	\$22.25	\$49.61	\$43.14	\$110.31
NET OPERATING PROFIT	(\$181.79)	(\$271.47)	(\$245.79)	\$150.84
CAPITAL COSTS				
INTEREST ON OPERATING CAPITAL	\$5.40	\$10.29	\$7.24	\$12.15
INTEREST ON EQUIPMENT INVESTMENT	\$18.28	\$46.07	\$42.37	\$93.27
TOTAL CAPITAL COSTS	\$23.68	\$56.36	\$49.61	\$105.42
RETURN TO LAND AND RISK	(\$205.48)	(\$327.83)	(\$295.39)	\$45.42

TABLE C34. Whole farm summary, Portales Valley, Roosevelt County, 2001.

GROSS RETURNS		
WHEAT	82 ACRES	
CROP		\$8,486
GRAZING		\$3,264
ASCS DEFICIENCY		\$1,015
ASCS DIVERSION		\$0
CORN FOR GRAIN	53 ACRES	
CROP		\$14,166
GRAZING		\$791
ASCS DEFICIENCY		\$1,845
ASCS DIVERSION		\$0
GRAIN SORGHUM	53 ACRES	
CROP		\$9,881
GRAZING		\$474
ASCS DEFICIENCY		\$1,528
ASCS DIVERSION		\$0
PEANUTS	63 ACRES	
CROP		\$58,559
GROSS RETURN		<u>\$100,009</u>
CASH OPERATING EXPENSES		
SEED		\$8,145
FERTILIZER		\$13,474
CHEMICALS		\$11,021
CROP INSURANCE		\$150
OTHER PURCHASED INPUTS		\$732
CANAL WATER		\$0
FUEL, OIL & LUBRICANTS-EQUIPMENT		\$4,043
FUEL-IRRIGATION		\$14,305
REPAIRS		\$12,226
CUSTOM CHARGES		\$8,210
LAND TAXES		\$127
OTHER EXPENSES		\$20,738
TOTAL CASH EXPENSES		<u>\$93,171</u>
RETURN OVER CASH EXPENSES		\$6,838
FIXED EXPENSES		\$26,308
TOTAL EXPENSES		\$119,479
NET FARM INCOME		(\$19,470)
LABOR AND MANAGEMENT COSTS		\$13,652
NET OPERATING PROFIT		(\$33,122)
CAPITAL COSTS		
INTEREST ON OPERATING CAPITAL		\$2,130
INTEREST ON EQUIPMENT INVESTMENT		\$12,028
TOTAL CAPITAL COSTS		<u>\$14,159</u>
RETURN TO LAND AND RISK		<u>(\$47,281)</u>

LAND VALUE	RETURN TO RISK*	RETURN ON INVESTMENT**
\$500 /ACRE	(\$53,681)	-8.70%
\$750 /ACRE	(\$56,881)	-7.19%
\$1,000 /ACRE	(\$60,081)	-6.12%
\$1,250 /ACRE	(\$63,281)	-5.33%
\$1,500 /ACRE	(\$66,481)	-4.73%
\$1,750 /ACRE	(\$69,681)	-4.24%
\$2,000 /ACRE	(\$72,881)	-3.85%

\* 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)