

TABLE B40. Summary of per acre costs and returns for an 80 acre farm, San Juan County, 2001.

	ALFALFA ESTABLISHMENT -----SPRINKLER-----	ALFALFA HAY
	TONS	TONS
PRIMARY YIELD	2.25	5.40
PRIMARY PRICE	116.00	126.00
GOVERNMENT PAYMENTS	0.00	0.00
SECOND INCOME	10.00	20.00
GROSS RETURN	\$271.00	\$700.40
CASH OPERATING EXPENSES		
SEED	\$68.35	
FERTILIZER	\$13.50	\$12.00
CHEMICALS		\$18.75
CROP INSURANCE		
OTHER PURCHASED INPUTS	\$7.16	\$15.97
CANAL WATER		
FUEL, OIL & LUBRICANTS-EQUIPMENT	\$14.88	\$8.92
FUEL-IRRIGATION	\$43.49	\$51.30
REPAIRS	\$12.04	\$10.13
CUSTOM CHARGES		
LAND TAXES	\$2.07	\$2.07
OTHER EXPENSES	\$0.58	\$144.85
TOTAL CASH EXPENSES	\$162.07	\$263.99
RETURN OVER CASH EXPENSES	\$108.93	\$436.41
FIXED EXPENSES	\$185.16	\$200.68
TOTAL EXPENSES	\$347.24	\$464.67
NET FARM INCOME	(\$76.24)	\$235.73
LABOR AND MANAGEMENT COSTS	\$73.00	\$95.68
NET OPERATING PROFIT	(\$149.24)	\$140.05
CAPITAL COSTS		
INTEREST ON OPERATING CAPITAL	\$5.33	\$3.39
INTEREST ON EQUIPMENT INVESTMENT	\$134.21	\$58.55
TOTAL CAPITAL COSTS	\$139.54	\$61.93
RETURN TO LAND AND RISK	(\$288.78)	\$78.12

TABLE C40. Whole farm summary, San Juan County, 2001.

GROSS RETURNS		
OAT HAY	11 ACRES	
CROP		\$2,981
ALFALFA HAY	69 ACRES	
CROP		\$46,948
GRAZING		\$1,380
GROSS RETURN		\$51,309
CASH OPERATING EXPENSES		
SEED		\$752
FERTILIZER		\$977
CHEMICALS		\$1,294
CROP INSURANCE		\$0
OTHER PURCHASED INPUTS		\$1,181
CANAL WATER		\$0
FUEL, OIL & LUBRICANTS-EQUIPMENT		\$779
FUEL-IRRIGATION		\$4,018
REPAIRS		\$831
CUSTOM CHARGES		\$0
LAND TAXES		\$166
OTHER EXPENSES		\$10,001
TOTAL CASH EXPENSES		\$19,998
RETURN OVER CASH EXPENSES		\$31,310
FIXED EXPENSES		\$12,563
TOTAL EXPENSES		\$32,561
NET FARM INCOME		\$18,748
LABOR AND MANAGEMENT COSTS		\$7,405
NET OPERATING PROFIT		\$11,343
CAPITAL COSTS		
INTEREST ON OPERATING CAPITAL		\$292
INTEREST ON EQUIPMENT INVESTMENT		\$5,516
TOTAL CAPITAL COSTS		\$5,808
RETURN TO LAND AND RISK		\$5,534

LAND VALUE	RETURN TO RISK*	RETURN ON INVESTMENT**
\$1,000 /ACRE	\$2,334	8.72%
\$2,500 /ACRE	(\$2,466)	4.53%
\$4,000 /ACRE	(\$7,266)	3.06%
\$5,500 /ACRE	(\$12,066)	2.31%
\$7,000 /ACRE	(\$16,866)	1.86%
\$8,500 /ACRE	(\$21,666)	1.55%

* 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)