

TABLE 11. Summary of per acre costs and returns for a 30 acre part-time farm, Valencia and Southern Bernalillo Counties  
Actual 2004

	ALFALFA ESTABLISHMENT	ALFALFA HAY	SMALL GRAIN HAY	SORGHUM HAY	GREEN CHILE	JALAPENOS
		TONS	TONS	TONS	BU/LB	TONS
PRIMARY YIELD		3.75	3.60	2.00	275.00	11.00
PRIMARY PRICE		\$120.00	\$110.00	\$88.00	\$7.50	\$300.00
GOVERNMENT PAYMENTS		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
SECOND INCOME		\$10.00	\$0.00	\$5.00	\$600.00	\$0.00
GROSS RETURN		\$460.00	\$396.00	\$181.00	\$2,662.50	\$3,300.00
CASH OPERATING EXPENSES						
SEED	\$57.60		\$27.00	\$43.05	\$112.00	\$114.00
FERTILIZER		\$27.90			\$52.00	\$83.25
CHEMICALS					\$54.71	\$54.71
CROP INSURANCE						
OTHER PURCHASED INPUTS		\$15.00	\$12.50	\$8.50	\$67.50	\$10.00
CANAL WATER		\$28.00	\$28.00	\$28.00	\$28.00	\$28.00
FUEL, OIL & LUBRICANTS-EQUIPMENT	\$19.25	\$10.50	\$21.88	\$5.64	\$291.77	\$97.02
FUEL-IRRIGATION						
REPAIRS	\$3.52	\$1.56	\$3.92	\$1.06	\$18.91	\$11.44
CUSTOM CHARGES	\$103.21	\$23.33	\$30.86	\$30.86	\$70.71	\$70.71
LAND TAXES		\$5.33	\$2.67	\$2.67	\$5.33	\$5.33
OTHER EXPENSES	\$0.22	\$156.15	\$78.37	\$78.26	\$168.33	\$182.70
TOTAL CASH EXPENSES	\$183.80	\$267.78	\$205.19	\$198.04	\$869.26	\$657.15
RETURN OVER CASH EXPENSES	(\$183.80)	\$192.22	\$190.81	(\$17.04)	\$1,793.24	\$2,642.85
FIXED EXPENSES	\$41.93	\$84.78	\$50.18	\$16.14	\$191.99	\$171.54
TOTAL EXPENSES	\$225.73	\$352.56	\$255.37	\$214.19	\$1,061.25	\$828.69
NET FARM INCOME	(\$225.73)	\$107.44	\$140.63	(\$33.19)	\$1,601.25	\$2,471.31
LABOR AND MANAGEMENT COSTS	\$34.85	\$63.46	\$53.14	\$31.93	\$1,394.17	\$2,889.97
NET OPERATING PROFIT	(\$260.58)	\$43.98	\$87.49	(\$65.11)	\$207.07	(\$418.66)
CAPITAL COSTS						
INTEREST ON OPERATING CAPITAL		\$2.40	\$2.60	\$2.68	\$11.92	\$10.34
INTEREST ON EQUIPMENT INVESTMENT		\$25.00	\$39.55	\$12.04	\$889.89	\$206.33
TOTAL CAPITAL COSTS	\$0.00	\$27.40	\$42.15	\$14.72	\$901.81	\$216.67
RETURN TO LAND AND RISK	(\$260.58)	\$16.57	\$45.34	(\$79.83)	(\$694.74)	(\$635.34)

TABLE 12. Whole farm summary, Valencia and Southern Bernalillo Counties  
Actual 2004

GROSS RETURNS		
ALFALFA HAY	20.00 ACRES	
CROP		\$9,000
GRAZING		\$200
SMALL GRAIN HAY	5.00 ACRES	
CROP		\$1,980
SORGHUM HAY	5.00 ACRES	
CROP		\$880
GRAZING		\$25
GREEN CHILE	1.00 ACRES	
GREEN		\$2,063
RED		\$600
JALPENOS	1.00 ACRES	
CROP		\$3,300
GROSS RETURN		<u>\$18,048</u>
CASH OPERATING EXPENSES		
SEED		\$778
FERTILIZER		\$693
CHEMICALS		\$109
CROP INSURANCE		\$0
OTHER PURCHASED INPUTS		\$483
CANAL WATER		\$896
FUEL, OIL & LUBRICANTS-EQUIPMENT		\$804
FUEL-IRRIGATION		\$0
REPAIRS		\$99
CUSTOM CHARGES		\$1,278
LAND TAXES		\$144
OTHER EXPENSES		\$4,258
TOTAL CASH EXPENSES		<u>\$9,542</u>
RETURN OVER CASH EXPENSES		\$8,506
FIXED EXPENSES		\$1,669
TOTAL EXPENSES		\$11,210
NET FARM INCOME		\$6,837
LABOR AND MANAGEMENT COSTS		\$6,101
NET OPERATING PROFIT		\$736
CAPITAL COSTS		
INTEREST ON OPERATING CAPITAL		\$97
INTEREST ON EQUIPMENT INVESTMENT		\$1,854
TOTAL CAPITAL COSTS		<u>\$1,951</u>
RETURN TO LAND AND RISK		<u>(\$1,215)</u>

LAND VALUE	RETURN TO RISK*	RETURN ON INVESTMENT**
\$5,000 /ACRE	(\$5,715)	0.43%
\$6,500 /ACRE	(\$7,065)	0.34%
\$8,000 /ACRE	(\$8,415)	0.28%
\$9,500 /ACRE	(\$9,765)	0.24%
\$11,000 /ACRE	(\$11,115)	0.21%
\$12,500 /ACRE	(\$12,465)	0.18%

\* 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)