

TABLE 16. Summary of per acre costs and returns for a 640 acre farm with above average management, Deming area, Luna County.
Actual 2004

	WHEAT	GRAIN SORGHUM	PICKER COTTON	GREEN CHILE	RED CHILE	SPRING LETTUCE	FALL LETTUCE	FALL ONIONS	MIDSEASON ONIONS	LATE ONIONS
	CWT	CWT	LBS	TONS/LBS	LBS	CARTONS	CARTONS	SACKS	SACKS	SACKS
PRIMARY YIELD	50	70	970	11	4,000	475	500	820	670	820
PRIMARY PRICE	\$6.25	\$3.70	\$0.60	\$285.00	\$0.72	\$5.84	\$6.23	\$6.52	\$6.38	\$6.43
GOVERNMENT PAYMENTS	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
SECOND INCOME	\$0.00	\$0.00	\$100.88	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
GROSS RETURN	\$312.50	\$258.75	\$682.88	\$3,135.00	\$2,880.00	\$2,774.00	\$3,115.00	\$5,346.40	\$4,274.60	\$5,272.60
CASH OPERATING EXPENSES										
SEED	\$24.00	\$9.84	\$12.96	\$64.00	\$64.00	\$600.00	\$4.00	\$300.00	\$300.00	\$540.00
FERTILIZER	\$86.80	\$73.70	\$66.80	\$130.50	\$116.50	\$116.50	\$116.50	\$175.80	\$175.80	\$165.80
CHEMICALS		\$45.65	\$26.70	\$31.08	\$31.08	\$92.45	\$111.14	\$107.11	\$140.94	\$140.94
CROP INSURANCE	\$0.74	\$0.53	\$0.18	\$72.58	\$76.22					
OTHER PURCHASED INPUTS										
CANAL WATER										
FUEL, OIL & LUBRICANTS-EQUIPMENT	\$11.27	\$33.40	\$65.02	\$113.13	\$77.61	\$40.88	\$41.81	\$44.70	\$44.70	\$44.70
FUEL-IRRIGATION	\$59.50	\$89.24	\$77.34	\$160.64	\$142.79	\$71.39	\$118.99	\$166.59	\$142.79	\$142.79
REPAIRS	\$5.58	\$14.42	\$16.39	\$47.58	\$33.63	\$17.54	\$18.98	\$20.93	\$20.34	\$20.34
CUSTOM CHARGES	\$35.50	\$28.30	\$230.03	\$1,252.33	\$970.00	\$1,879.93	\$2,056.47	\$3,544.51	\$2,923.04	\$3,537.86
LAND TAXES	\$1.78	\$1.78	\$1.78	\$1.78	\$1.78	\$1.78	\$1.78	\$1.78	\$1.78	\$1.78
OTHER EXPENSES	\$63.04	\$63.44	\$63.73	\$64.16	\$64.37	\$63.51	\$63.67	\$64.15	\$64.15	\$64.15
TOTAL CASH EXPENSES	\$288.21	\$360.31	\$560.93	\$1,937.78	\$1,577.98	\$2,883.99	\$2,533.35	\$4,425.57	\$3,813.55	\$4,658.37
RETURN OVER CASH EXPENSES	\$24.29	(\$101.56)	\$121.95	\$1,197.22	\$1,302.02	(\$109.99)	\$581.65	\$920.83	\$461.05	\$614.23
FIXED EXPENSES	\$34.04	\$53.58	\$97.89	\$104.55	\$85.95	\$58.12	\$73.52	\$92.53	\$85.27	\$85.27
TOTAL EXPENSES	\$322.25	\$413.88	\$658.82	\$2,042.33	\$1,663.94	\$2,942.11	\$2,606.87	\$4,518.10	\$3,898.82	\$4,743.64
NET FARM INCOME	(\$9.75)	(\$155.13)	\$24.06	\$1,092.67	\$1,216.06	(\$168.11)	\$508.13	\$828.30	\$375.78	\$528.96
LABOR AND MANAGEMENT COSTS	\$48.48	\$72.46	\$124.23	\$256.13	\$212.69	\$197.59	\$167.28	\$242.83	\$243.05	\$266.05
NET OPERATING PROFIT	(\$58.23)	(\$227.60)	(\$100.17)	\$836.54	\$1,003.37	(\$365.70)	\$340.85	\$585.47	\$132.73	\$262.91
CAPITAL COSTS										
INTEREST ON OPERATING CAPITAL	\$4.86	\$6.34	\$6.46	\$18.87	\$16.94	\$36.07	\$19.36	\$39.26	\$36.70	\$47.08
INTEREST ON EQUIPMENT INVESTMENT	\$7.53	\$14.43	\$26.22	\$35.76	\$26.00	\$18.42	\$19.96	\$23.33	\$22.75	\$22.75
TOTAL CAPITAL COSTS	\$12.39	\$20.78	\$32.67	\$54.63	\$42.94	\$54.49	\$39.32	\$62.58	\$59.45	\$69.84
RETURN TO LAND AND RISK	(\$70.62)	(\$248.37)	(\$132.84)	\$781.90	\$960.43	(\$420.19)	\$301.53	\$522.89	\$73.28	\$193.07

TABLE 17. Whole farm summary, Deming area, Luna County,
Actual 2004

GROSS RETURNS		
WHEAT	68.00 ACRES	
CROP		\$21,250
DIRECT PAYMENT		\$0
COUNTER CYCLICAL PAYMENT		\$0
GRAIN SORGHUM	93.50 ACRES	
CROP		\$24,193
DIRECT PAYMENT		\$0
COUNTER CYCLICAL PAYMENT		\$0
UPLAND COTTON	348.50 ACRES	
LINT		\$202,827
SEED		\$35,157
DIRECT PAYMENT		\$0
COUNTER CYCLICAL PAYMENT		\$0
GREEN CHILE	40.00 ACRES	
GREEN		\$125,400
RED		\$0
RED CHILE	40.00 ACRES	
CROP		\$115,200
SPRING LETTUCE	10.00 ACRES	
CROP		\$27,740
FALL LETTUCE	10.00 ACRES	
CROP		\$31,150
FALL ONIONS	10.00 ACRES	
CROP		\$53,464
MIDSEASON ONIONS	10.00 ACRES	
CROP		\$42,746
LATE SEASON ONIONS	10.00 ACRES	
CROP		\$52,726
GROSS RETURN		<u>\$731,853</u>
CASH OPERATING EXPENSES		
SEED		\$29,629
FERTILIZER		\$53,457
CHEMICALS		\$21,986
CROP INSURANCE		\$6,102
OTHER PURCHASED INPUTS		\$0
CANAL WATER		\$0
FUEL, OIL & LUBRICANTS-EQUIPMENT		\$36,345
FUEL-IRRIGATION		\$57,907
REPAIRS		\$11,669
CUSTOM CHARGES		\$313,537
LAND TAXES		\$1,137
OTHER EXPENSES		\$40,766
TOTAL CASH EXPENSES		<u>\$572,537</u>
RETURN OVER CASH EXPENSES		\$159,316
FIXED EXPENSES		\$53,006
TOTAL EXPENSES		<u>\$625,543</u>
NET FARM INCOME		\$106,310
LABOR AND MANAGEMENT COSTS		\$83,287
NET OPERATING PROFIT		\$23,023
CAPITAL COSTS		
INTEREST ON OPERATING CAPITAL		\$6,391
INTEREST ON EQUIPMENT INVESTMENT		\$14,541
TOTAL CAPITAL COSTS		<u>\$20,932</u>
RETURN TO LAND AND RISK		<u>\$2,091</u>

LAND VALUE	RETURN TO RISK*	RETURN ON INVESTMENT**
\$500 /ACRE	(\$7,509)	3.31%
\$700 /ACRE	(\$11,349)	2.80%
\$900 /ACRE	(\$15,189)	2.42%
\$1,100 /ACRE	(\$19,029)	2.13%
\$1,300 /ACRE	(\$22,869)	1.91%
\$1,500 /ACRE	(\$26,709)	1.72%

* 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)