

TABLE 1. Basic cost information for San Juan County, 2002.

Item		
Labor Wage Rate:		
Equipment operators	\$/hour	\$6.75
General & Irrigators	\$/hour	\$6.45
Purchased Inputs:		
Fertilizer:		
Nitrogen (N)	\$/pound	\$0.32
Phosphate (P205)	\$/pound	\$0.30
Seed:		
Alfalfa	\$/pound	\$2.90
Oats	\$/pound	\$0.23
Pasture	\$/pound	\$2.50
Wire		
Canal Water	\$/acre foot	\$10.75
Energy:		
Diesel fuel	\$/gallon	\$1.05
Gasoline	\$/gallon	\$1.00
Natural Gas	\$/MCF	\$3.28
LP Gas	\$/gallon	\$0.86
Electricity	cents/KwHr	8.45
Employee Liability Insurance	\$/ \$1,000 wages	\$12.00
Employee Benefits	percent/wages	12.00%
Labor Downtime	percent	25.00%
Financial Rates:		
Operating Capital Interest Rate	percent	8.00%
Land Interest Rate	percent	7.50%
Equipment Interest Rate	percent	8.00%
Real Interest Rate	percent	4.00%
Land Taxes	\$253.00 /acre (full value)	\$2.07
Personal Property Tax Rate - NR	\$/ \$1,000 (Assessed Value)	\$24.60
- R		\$20.83
Supervision Factors		
Field Crop-Irrigation	\$/labor hour	\$1.00
Field Crop-Equipment & General	\$/labor hour	\$0.50
Management Rate	percent	4.00%

BUDGET AREA..... SAN JUAN COUNTY, 2002.
 FARM SIZE..... 20 ACRES
 IRRIGATION TYPE..... FLOOD
 NUMBER OF CROPS..... 2

ACREAGE SUMMARY:	LAND USE (ACRES)	WATER USE	
		AC.IN. PER AC.	TOTAL AC.IN.
ALFALFA ESTABLISHMENT	1.5	48	72.0
ALFALFA	9.0	60	540.0
PASTURE ESTABLISHMENT	0.5 *	21	10.5
PASTURE	10.0	62	620.0
TOTAL	20.5		1,242.5
ACRE FEET PER ACRE OF WATER RIGHTS			5.05

* DOUBLE-CROPPED

TABLE 1a. Overhead cost information for San Juan County, 2002.

ITEM			CROP	LIVESTOCK	TOTAL
			ENTERPRISE	ENTERPRISE	
Electricity (Domestic & Shop)	\$30.00 per month		\$360	\$36	\$396
Telephone	\$30.00 per month		\$360	\$36	\$396
Accounting & Legal			\$125		\$125
Misc. Supplies & Hand Tools			\$240	\$24	\$264
Pickup and Auto	Crop Ent. Livestock Ent.				
miles	3,100 1,545 @	\$0.345 per mile	\$1,070	\$533	\$1,603
Insurance					
- general liability (non-employee)			\$0		\$0
- fire/theft			\$0		\$0
Property Taxes					
- non-planted land			\$0		\$0
- other than land & machinery			\$60		\$60
Building repairs and maintenance			\$110	\$11	\$121
Dues, fees, publications			\$110	\$6	\$116
Farmstead Equipment			\$170	\$17	\$187
Total			\$2,604	\$663	\$3,267
Total per planted acre			\$127.05		

TABLE 2a. Equipment summary for a 20 acre flood-irrigated part-time farm, San Juan County, 2002.

EQUIPMENT ITEM & SIZE	ANNUAL		VARIABLE COSTS					FIXED COSTS		
	HOURS OF USE	NUMBER	TOTAL VALUE	FUEL, OIL LUBRICANT	REPAIR	FUEL, OIL PER HR	REPAIR PER HR	DEPRE- CIATION	TAXES	TOTAL PER HOUR
TRACTOR 65 HP	36	1	\$2,400	\$176.00	\$8.96	\$4.86	\$0.25	\$138	\$23	\$4.42
MOWER 7 FT	13	1	\$1,300		\$7.34		\$0.57	\$130	\$11	\$10.97
RAKE	7	1	\$750		\$2.45		\$0.33	\$75	\$6	\$10.95
DISC 6 FT (BORROWED)	2	1	\$0		\$0.00		\$0.00			
PLOW 3-14 (BORROWED)	2	1	\$0		\$0.00		\$0.00			
HARROW 8 FT	9	1	\$200		\$0.07		\$0.01	\$20	\$2	\$2.45
DITCHER (BORROWED)	2	1	\$0		\$0.00		\$0.00			
DRILL 10 FT (BORROWED)	1	1	\$0		\$0.00		\$0.00			
FERT SPREADER DEALER FURNISHED	1	1								
			\$4,650	\$176	\$19			\$363	\$41	

Table 2b. Value of Resources for Livestock Enterprise.

	UNIT	QUANTITY	\$/UNIT	TOTAL	USEFUL LIFE	DEPRE- CIATION
Cattle:						
Cows	NO	0	\$650	\$0		
Replacement Heifers	NO	0	\$650	\$0		
Yearling Heifers	NO	0	\$462	\$0		
Yearlings Steers	NO	20	\$564	\$11,280		
Bulls	NO	0	\$1,000	\$0		
Horses	NO	0	\$1,000	\$0		
Subtotal				\$11,280		
Other Range Facilities:						
Fencing						
- Permanent	MI	6	\$1,500	\$9,000	25	\$360
- temporary	MI	11	\$250	\$2,750	10	\$275
Pipelines	MI	2	\$300	\$600	20	\$30
Tanks and Reservoirs	NO	2	\$500	\$1,000	40	\$25
Corrals	NO	1	\$5,000	\$5,000	25	\$200
Livestock Trailer	NO	1	\$2,500	\$2,500	10	\$250
Subtotal				\$20,850		
Total				\$32,130		\$1,140

Table 3a. Livestock Production Parameters

NUMBER OF COWS	0
COWS PER BULL	0
NUMBER OF HORSES	0
REPLACEMENT RATE (%)	0.00%
CALF DEATH LOSS (%)	3.00%
YEARLING DEATH LOSS (%)	1.25%
COW DEATH LOSS (%)	1.00%
BULL DEATH LOSS (%)	0.00%
CALF CROP (%)	90.00%
PRODUCTIVE LIFE OF BULLS (YEAF	5
CALVES PURCHASED	
HEIFERS	0
STEERS	20

Table 3b. Forage Sources for Livestock

	ACRES	AUMS/ ACRE	AUMS PROVIDED
ALFALFA	9.00	1.40	12.60
PERMANENT PASTURE	10.00	7.00	70.00
BALED HAY (TONS)		0.56	1
TOTAL	19.00		84.00

Table 3c. STOCK COUNT CHART

SEASON	YEARLING STEERS	YEARLING HEIFERS	TOTAL AUMs REQUIRED
	0.7	0.7	
JANUARY			0
FEBUARY			0
MARCH			0
APRIL			0
MAY	20		14
JUNE	20		14
JULY	20		14
AUGUST	20		14
SEPTEMBER	20		14
OCTOBER	20		14
NOVEMBER			0
DECEMBER			0
			<u>84</u>

Table 3d. FORAGE BALANCE CHART

	TOTAL AUMs REQUIRED	ALFALFA	PERMANENT PASTURE	TOTAL AUMs SUPPLIED	HAY
JANUARY	0	0	0	0	0
FEBRUARY	0	0	0	0	0
MARCH	0	0	0	0	0
APRIL	0	0	0	0	0
MAY	14	0	14	14	0
JUNE	14	0	14	14	0
JULY	14	0	14	14	0
AUGUST	14	0	14	14	0
SEPTEMBER	14	0	14	14	0
OCTOBER	14	13	0	13	1
NOVEMBER	0	0	0	0	0
DECEMBER	0	0	0	0	0
Total AUMs	84	13	70	83	1

TABLE 4. Alfalfa establishment, flood-irrigated, budgeted per acre costs and returns for a 20 acre part-time farm, San Juan County, 2002.
 Planting dates: April 15 - June 1
 Harvest dates: June 15 - July 1

ITEM	PRICE	YIELD						TOTAL
GROSS RETURNS								
OAT HAY	\$100.00	2.00 TONS (IN FIELD)						\$200.00
TOTAL							\$200.00	
PURCHASED INPUTS								
PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS					TOTAL
ALFALFA SEED	\$2.90	20 LBS	\$58.00					\$58.00
OAT SEED	\$0.23	45 LBS	\$10.35					\$10.35
PHOSPHATE (P2O5)	\$0.30	45 LBS	\$13.50					\$13.50
CANAL WATER		48 AC. IN.			\$43.00			\$43.00
CANAL WATER (MAINTENANCE)		1 ACRE			\$8.00			\$8.00
SUBTOTAL			\$81.85		\$51.00			\$132.85
PREHARVEST OPERATIONS								
PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
PLOW	65 HP	0.83 HR		\$5.60	\$4.04	\$0.21	\$3.67	\$13.51
DISC (2X)	65 HP	0.84 HR		\$5.67	\$4.08	\$0.21	\$3.71	\$13.68
FERTILIZE	65 HP	0.05 HR		\$0.34	\$0.24	\$0.01	\$0.22	\$0.81
CORRUGATE	65 HP	0.41 HR		\$2.77	\$1.99	\$0.10	\$2.82	\$7.68
DRILL	65 HP	0.33 HR		\$2.23	\$1.60	\$0.08	\$1.46	\$5.37
DITCHER	65 HP	0.10 HR		\$0.68	\$0.49	\$0.02	\$0.44	\$1.63
IRRIGATE (6X)		3.00 HR		\$19.35				\$19.35
SUBTOTAL		5.56 HR		\$36.63	\$12.45	\$0.64	\$12.32	\$62.04
HARVEST OPERATIONS								
MOWER	65 HP	0.45 HR		\$3.04	\$2.19	\$0.37	\$6.93	\$12.52
RAKE	65 HP	0.26 HR		\$1.76	\$1.26	\$0.15	\$4.00	\$7.17
BALER (CUSTOM)			\$65.60					\$65.60
SUBTOTAL		0.71 HR	\$65.60	\$4.79	\$3.45	\$0.52	\$10.92	\$85.29
OVERHEAD EXPENSES								
DOWNTIME		2.43 HR		\$16.37				\$16.37
EMPLOYEE BENEFITS				\$4.97				\$4.97
INSURANCE			\$0.50					\$0.50
LAND TAXES						\$2.07		\$2.07
SUPERVISION AND MANAGEMENT				\$12.43				\$12.43
OTHER EXPENSES			\$127.05					\$127.05
SUBTOTAL		2.43 HR	\$127.54	\$33.77		\$2.07		\$163.39
TOTAL OPERATING EXPENSES		8.70 HR	\$274.99	\$75.19	\$15.90	\$1.16	\$76.32	\$443.56
NET OPERATING PROFIT								(\$243.56)
INTEREST ON OPERATING CAPITAL	(\$49.99	@	8.00%)			\$4.00
INTEREST ON EQUIPMENT INVESTMENT								\$26.37
RETURN TO LAND AND RISK								(\$273.93)

TABLE 5. Alfalfa hay, flood-irrigated, budgeted per acre costs and returns for a 20 acre part-time farm, San Juan County, 2002.
Harvesting dates: June 10 - October 15

ITEM	PRICE	YIELD						TOTAL	
GROSS RETURNS									
ALFALFA HAY	\$110.00	4.50 TONS (IN FIELD)						\$495.00	
GRAZING	\$10.00	1.40 AUM						\$14.00	
TOTAL								\$509.00	
PURCHASED INPUTS									
PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS					FIXED COST	TOTAL
PHOSPHATE (P2O5)	\$0.30	45 LBS	\$13.50						\$13.50
ESTABLISHMENT: Principal		6 YEARS						\$45.66	\$45.66
: Interest								\$17.39	\$17.39
LIVESTOCK FAC & EQUIP								\$5.00	\$5.00
CANAL WATER		60 AC. IN.						\$53.75	\$53.75
CANAL WATER (MAINTENANCE)		1 ACRE						\$8.00	\$8.00
SUBTOTAL			\$13.50					\$129.80	\$143.30
PREHARVEST OPERATIONS									
PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL	
FERTILIZE	65 HP	0.05 HR		\$0.34	\$0.24	\$0.01	\$0.22	\$0.81	
DITCHER	65 HP	0.10 HR		\$0.68	\$0.49	\$0.02	\$0.44	\$1.63	
CORRUGATE	65 HP	0.41 HR		\$2.77	\$1.99	\$0.10	\$2.82	\$7.68	
IRRIGATE (10X)		5.00 HR		\$32.25				\$32.25	
SUBTOTAL		5.56 HR		\$36.03	\$2.72	\$0.14	\$3.48	\$42.38	
HARVEST OPERATIONS									
MOWER (3X)	65 HP	1.35 HR		\$9.11	\$6.56	\$1.11	\$20.78	\$37.56	
RAKE (3X)	65 HP	0.78 HR		\$5.27	\$3.79	\$0.45	\$11.99	\$21.50	
BALER (CUSTOM)			\$147.60					\$147.60	
SUBTOTAL		2.13 HR	\$147.60	\$14.38	\$10.36	\$1.56	\$32.77	\$206.66	
OVERHEAD EXPENSES									
DOWNTIME		0.55 HR		\$3.68				\$3.68	
EMPLOYEE BENEFITS				\$6.05				\$6.05	
INSURANCE			\$0.60					\$0.60	
LAND TAXES						\$2.07		\$2.07	
SUPERVISION AND MANAGEMENT				\$26.45				\$26.45	
OTHER EXPENSES			\$127.05					\$127.05	
SUBTOTAL		0.55 HR	\$127.65	\$36.18			\$2.07	\$165.90	
TOTAL OPERATING EXPENSES		8.24 HR	\$288.75	\$86.59	\$13.08	\$1.70	\$168.12	\$558.23	
NET OPERATING PROFIT								(\$49.23)	
INTEREST ON OPERATING CAPITAL	(\$20.76	@	8.00%)			\$1.66	
INTEREST ON EQUIPMENT INVESTMENT								\$34.36	
RETURN TO LAND AND RISK								(\$85.25)	
BUDGET SUMMARY									
GROSS RETURN		\$509.00							
VARIABLE OPERATING EXPENSES	\$303.53								
RETURN OVER VARIABLE EXPENSES		\$205.47	(GROSS MARGIN)						
FIXED EXPENSES	\$168.12								
NET FARM INCOME		\$37.35	(RETURN TO CAPITAL, LABOR, LAND & RISK)						
LABOR AND MANAGEMENT COST	\$86.59								
NET OPERATING PROFIT		(\$49.23)	(RETURN TO CAPITAL, LAND & RISK)						
CAPITAL COSTS	\$36.02								
RETURN TO LAND AND RISK		(\$85.25)							

TABLE 6. Permanent pasture establishment, flood-irrigated, budgeted per acre costs and returns for a 20 acre part-time farm, San Juan County, 2002.
Planting dates: August 15 - September 15

ITEM	PRICE	QUANTITY	PURCHASED INPUTS				FIXED COST	TOTAL	
<u>PURCHASED INPUTS</u>									
SEED	\$2.50	15 LBS					\$37.50	\$37.50	
NITROGEN (N)	\$0.32	20 LBS					\$6.40	\$6.40	
PHOSPHATE (P205)	\$0.30	50 LBS					\$15.00	\$15.00	
CANAL WATER		21 AC. IN.					\$18.81	\$18.81	
CANAL WATER (MAINTENANCE)							\$8.00	\$8.00	
SUBTOTAL							\$58.90	\$26.81	\$85.71
<u>PREHARVEST OPERATIONS</u>									
	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL	
PLOW	65 HP	0.83 HR		\$5.60	\$4.04	\$0.21	\$3.67	\$13.51	
DISC (2X)	65 HP	0.84 HR		\$5.67	\$4.08	\$0.21	\$3.71	\$13.68	
HARROW	65 HP	0.41 HR		\$2.77	\$1.99	\$0.10	\$2.82	\$7.68	
FERTILIZE	65 HP	0.05 HR		\$0.34	\$0.24	\$0.01	\$0.22	\$0.81	
CORRUGATE	65 HP	0.41 HR		\$2.77	\$1.99	\$0.10	\$2.82	\$7.68	
DRILL	65 HP	0.33 HR		\$2.23	\$1.60	\$0.08	\$1.46	\$5.37	
DITCHER	65 HP	0.10 HR		\$0.68	\$0.49	\$0.02	\$0.44	\$1.63	
IRRIGATE (3X)		1.50 HR		\$9.68				\$9.68	
SUBTOTAL		4.47 HR		\$29.72	\$14.44	\$0.74	\$15.14	\$60.05	
<u>OVERHEAD EXPENSES</u>									
DOWNTIME		0.74 HR		\$5.01				\$5.01	
EMPLOYEE BENEFITS				\$3.57				\$3.57	
INSURANCE			\$0.36					\$0.36	
SUPERVISION AND MANAGEMENT				\$8.82				\$8.82	
SUBTOTAL		0.74 HR	\$0.36	\$17.39				\$17.75	
TOTAL OPERATING EXPENSES		5.21 HR	\$59.26	\$47.12	\$14.44	\$0.74	\$41.96	\$163.51	

TABLE 7. Permanent pasture, flood-irrigated, budgeted per acre costs and returns for a 20 acre part-time farm, San Juan County, 2002.
Harvesting dates: Year Round

ITEM	PRICE	YIELD						TOTAL
GROSS RETURNS								
PASTURE	\$12.00	7.00	AUMS					\$84.00
TOTAL								\$84.00
PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS				FIXED COST	TOTAL
NITROGEN (N)	\$0.32	100 LBS	\$32.00					\$32.00
ESTABLISHMENT: Principal		20 YEARS					\$8.18	\$8.18
: Interest							\$6.30	\$6.30
CANAL WATER		62 AC. IN.					\$55.54	\$55.54
CANAL WATER (MAINTENANCE)		1 ACRE					\$8.00	\$8.00
SUBTOTAL			\$32.00				\$78.02	\$110.02
PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
FERTILIZE	65 HP	0.05 HR		\$0.34	\$0.24	\$0.01	\$0.22	\$0.81
CORRUGATE	65 HP	0.41 HR		\$2.77	\$1.99	\$0.10	\$2.82	\$7.68
DITCHER	65 HP	0.10 HR		\$0.68	\$0.49	\$0.02	\$0.44	\$1.63
IRRIGATE (11X)		5.50 HR		\$35.48				\$35.48
SUBTOTAL		6.06 HR		\$39.26	\$2.72	\$0.14	\$3.48	\$45.60
OVERHEAD EXPENSES								
DOWNTIME		0.14 HR		\$0.95				\$0.95
EMPLOYEE BENEFITS				\$4.71				\$4.71
INSURANCE			\$0.47					\$0.47
LAND TAXES							\$2.07	\$2.07
SUPERVISION AND MANAGEMENT				\$9.14				\$9.14
OTHER EXPENSES			\$127.05					\$127.05
SUBTOTAL		0.14 HR	\$127.52	\$14.80			\$2.07	\$144.39
TOTAL OPERATING EXPENSES		6.20 HR	\$159.52	\$54.05	\$2.72	\$0.14	\$83.58	\$300.01
NET OPERATING PROFIT								(\$216.01)
INTEREST ON OPERATING CAPITAL	(\$16.72	@	8.00%)			\$1.34
INTEREST ON EQUIPMENT INVESTMENT								\$4.15
RETURN TO LAND AND RISK								(\$221.49)

BUDGET SUMMARY

GROSS RETURN	\$84.00	
VARIABLE OPERATING EXPENSES	\$162.38	
RETURN OVER VARIABLE EXPENSES	(\$78.38)	(GROSS MARGIN)
FIXED EXPENSES	\$83.58	
NET FARM INCOME	(\$161.96)	(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$54.05	
NET OPERATING PROFIT	(\$216.01)	(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$5.48	
RETURN TO LAND AND RISK	(\$221.49)	

TABLE 9. Summary of per acre costs and returns for a 20 acre part-time farm,
San Juan County, 2002.

	ALFALFA ESTABLISHMENT	ALFALFA HAY	ANNUAL PASTURE EST.	ANNUAL PASTURE
	-----FLOOD-----			
	TONS	TONS		AUMS
PRIMARY YIELD	2.00	4.50		7.00
PRIMARY PRICE	100.00	110.00		12.00
GOVERNMENT PAYMENTS	0.00	0.00		0.00
SECOND INCOME	0.00	14.00		0.00
GROSS RETURN	\$200.00	\$509.00		\$84.00
CASH OPERATING EXPENSES				
SEED	\$68.35		\$37.50	
FERTILIZER	\$13.50	\$13.50	\$21.40	\$32.00
CHEMICALS				
CROP INSURANCE				
OTHER PURCHASED INPUTS	\$0.00	\$0.00	\$0.00	\$0.00
CANAL WATER				
FUEL, OIL & LUBRICANTS-EQUIPMENT	\$15.90	\$13.08	\$14.44	\$2.72
FUEL-IRRIGATION				
REPAIRS	\$1.16	\$1.70	\$0.74	\$0.14
CUSTOM CHARGES	\$65.60	\$147.60		
LAND TAXES	\$2.07	\$2.07		\$2.07
OTHER EXPENSES	\$127.54	\$127.65	\$0.36	\$127.52
TOTAL CASH EXPENSES	\$294.12	\$305.60	\$74.44	\$164.46
RETURN OVER CASH EXPENSES	(\$94.12)	\$203.40	(\$74.44)	(\$80.46)
FIXED EXPENSES	\$74.25	\$166.04	\$41.96	\$81.50
TOTAL EXPENSES	\$368.37	\$471.65	\$116.40	\$245.96
NET FARM INCOME	(\$168.37)	\$37.35	(\$116.40)	(\$161.96)
LABOR AND MANAGEMENT COSTS	\$75.19	\$86.59	\$47.12	\$54.05
NET OPERATING PROFIT	(\$243.56)	(\$49.23)	(\$163.51)	(\$216.01)
CAPITAL COSTS				
INTEREST ON OPERATING CAPITAL	\$4.00	\$1.66		\$1.34
INTEREST ON EQUIPMENT INVESTMENT	\$26.37	\$34.36		\$4.15
TOTAL CAPITAL COSTS	\$30.37	\$36.02	\$0.00	\$5.48
RETURN TO LAND AND RISK	(\$273.93)	(\$85.25)	(\$163.51)	(\$221.49)

TABLE 10. Whole farm summary, San Juan County, 2002.

GROSS RETURNS		
OAT HAY	2 ACRES	
CROP		\$300
GRAZING		\$0
ALFALFA HAY	9 ACRES	
CROP		\$4,455
GRAZING		\$126
PASTURE	10 ACRES	
GRAZING		\$840
LIVESTOCK		\$16,584
GROSS RETURN		<u>\$22,305</u>
CASH OPERATING EXPENSES		
FORAGE		\$966
FEED AND LIVESTOCK		\$11,618
SEED		\$121
FERTILIZER		\$472
CHEMICALS		\$0
CROP INSURANCE		\$0
OTHER PURCHASED INPUTS		\$0
CANAL WATER		\$0
FUEL, OIL & LUBRICANTS-EQUIPMENT		\$176
FUEL-IRRIGATION		\$0
REPAIRS		\$19
CUSTOM CHARGES		\$1,427
LAND TAXES		\$43
OTHER EXPENSES		\$3,278
TOTAL CASH EXPENSES		<u>\$18,119</u>
RETURN OVER CASH EXPENSES		\$4,186
FIXED EXPENSES		\$3,089
TOTAL EXPENSES		\$21,209
NET FARM INCOME		\$1,096
LABOR AND MANAGEMENT COSTS		\$2,078
NET OPERATING PROFIT		(\$982)
CAPITAL COSTS		
INTEREST ON OPERATING CAPITAL		\$34
INTEREST ON EQUIPMENT INVESTMENT		\$390
INTEREST ON LIVESTOCK ENTERPRISE		\$2,640
TOTAL CAPITAL COSTS		<u>\$3,064</u>
RETURN TO LAND AND RISK		<u>(\$4,046)</u>

LAND VALUE	RETURN TO RISK*	RETURN ON INVESTMENT**
\$1,000 /ACRE	(\$4,846)	-3.98%
\$2,500 /ACRE	(\$6,046)	-1.80%
\$4,000 /ACRE	(\$7,246)	-1.16%
\$5,500 /ACRE	(\$8,446)	-0.86%
\$7,000 /ACRE	(\$9,646)	-0.68%
\$8,500 /ACRE	(\$10,846)	-0.56%

* 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)