

TABLE 1. Basic cost information for San Juan County, 2006

Item			
<b>Labor Wage Rate:</b>			
Equipment operators	\$/hour		6.75
General & Irrigators	\$/hour		6.45
<b>Purchased Inputs:</b>			
<b>Fertilizer:</b>			
Nitrogen (N)	\$/pound		0.36
Phosphate (P205)	\$/pound		0.33
<b>Seed:</b>			
Alfalfa	\$/pound		3.00
Oats	\$/pound		0.40
Pasture	\$/pound		2.50
Wire	\$/pound		0.39
Canal Water	\$/acre foot		10.75
<b>Energy:</b>			
Diesel fuel	\$/gallon		1.30
Gasoline	\$/gallon		1.35
Natural Gas	\$/MCF		3.28
LP Gas	\$/gallon		1.21
Electricity	cents/KwHr		8.87
Employee Liability Insurance	\$/1,000 wages		12.00
Employee Benefits	percent/w ages		12.00%
Labor Downtime	percent		25.00%
<b>Financial Rates:</b>			
Operating Capital Interest Rate	percent		8.00%
Land Interest Rate	percent		7.00%
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
<b>Supervision Factors</b>			
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, 2005.  
 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, 2006

ITEM		CROP ENTERPRISE	LIVESTOCK ENTERPRISE	TOTAL
Electricity (Domestic & Shop)	30.90 per month	420	42	462
Telephone	30.90 per month	420	42	462
Accounting & Legal		130		118
Misc. Supplies & Hand Tools		245	25	261
Pickup and Auto	Crop Ent. Livestock Ent.			
miles	3,100 1,545 @	0.415 per mile	1,132 564	1,695
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		115	12	113
Dues, fees, publications		115	6	108
Farmstead Equipment		175	18	181
Total		2,812	707	3,519
Total per planted acre		137.15		



TABLE 5. Alfalfa establishment, flood-irrigated, budgeted per acre costs and returns for an 80 acre farm, San Juan County, Projected 2006.  
 Planting dates: April 15 - June 1  
 Harvest dates: June 1 - July 31

ITEM	PRICE	YIELD						TOTAL	
<b>GROSS RETURNS</b>									
OAT HAY	\$120.00	2.25 TONS (STACKED)						\$270.00	
GRAZING	\$10.00	1.00 AUM						\$10.00	
<b>TOTAL</b>							<b>\$280.00</b>		
<b>PURCHASED INPUTS</b>									
PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS				FIXED COST	TOTAL	
ALFALFA SEED	\$3.20	20 LBS	\$64.00					\$64.00	
OAT SEED	\$0.32	45 LBS	\$14.40					\$14.40	
PHOSPHATE (P2O5)	\$0.40	45 LBS	\$18.00					\$18.00	
WIRE	\$0.50	19 LBS	\$9.64					\$9.64	
CANAL WATER		48 AC. IN.					\$11.00	\$11.00	
CANAL WATER (MAINTENANCE)		1 ACRE					\$8.00	\$8.00	
<b>SUBTOTAL</b>			<b>\$106.04</b>				<b>\$19.00</b>	<b>\$125.04</b>	
<b>PREHARVEST OPERATIONS</b>									
PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL	
PLOW	96 HP	0.67 HR		\$4.46	\$8.16	\$4.17	\$26.12	\$42.91	
DISC (2X)	96 HP	0.34 HR		\$2.26	\$4.14	\$1.65	\$16.14	\$24.19	
HARROW	96 HP	0.19 HR		\$1.26	\$2.31	\$0.40	\$4.00	\$7.97	
FERTILIZE	96 HP	0.05 HR		\$0.33	\$0.61	\$0.10	\$0.64	\$1.68	
CORRUGATE	40 HP	0.21 HR		\$1.40	\$1.57	\$0.75	\$5.62	\$9.34	
DRILL	96 HP	0.21 HR		\$1.40	\$2.56	\$0.66	\$68.15	\$72.76	
DITCHER (2X)	40 HP	0.10 HR		\$0.67	\$0.75	\$0.11	\$4.03	\$5.55	
IRRIGATE (6X)		3.00 HR		\$19.05				\$19.05	
<b>SUBTOTAL</b>	<b>4.77 HR</b>			<b>\$30.82</b>	<b>\$20.10</b>	<b>\$7.84</b>	<b>\$124.69</b>	<b>\$183.45</b>	
<b>HARVEST OPERATIONS</b>									
SWATHER	14 FT	0.16 HR		\$1.06	\$1.20	\$0.09	\$14.54	\$16.90	
BALER	96 HP	0.21 HR		\$1.40	\$2.56	\$0.47	\$6.54	\$10.96	
BALE WAGON	96 HP	0.20 HR		\$1.33	\$2.44	\$0.67	\$10.57	\$15.01	
<b>SUBTOTAL</b>	<b>0.57 HR</b>			<b>\$3.79</b>	<b>\$6.19</b>	<b>\$1.23</b>	<b>\$31.66</b>	<b>\$42.87</b>	
<b>OVERHEAD EXPENSES</b>									
DOWNTIME		2.16 HR		\$14.38				\$14.38	
EMPLOYEE BENEFITS				\$6.23				\$6.23	
INSURANCE			\$0.69					\$0.69	
LAND TAXES							\$2.10	\$2.10	
SUPERVISION AND MANAGEMENT				\$25.76				\$25.76	
<b>SUBTOTAL</b>	<b>2.16 HR</b>		<b>\$0.69</b>	<b>\$46.38</b>				<b>\$2.10</b>	<b>\$49.17</b>
<b>TOTAL OPERATING EXPENSES</b>	<b>7.50 HR</b>		<b>\$106.73</b>	<b>\$80.99</b>	<b>\$26.29</b>	<b>\$9.07</b>	<b>\$177.45</b>	<b>\$400.54</b>	
<b>NET OPERATING PROFIT</b>								<b>(\$120.54)</b>	
INTEREST ON OPERATING CAPITAL		( \$60.62 @	8.00%	)				\$4.85	
INTEREST ON EQUIPMENT INVESTMENT								\$96.84	
<b>RETURN TO LAND AND RISK</b>								<b>(\$222.22)</b>	

TABLE 6. Alfalfa hay, flood-irrigated, budgeted per acre costs and returns for an 80 acre farm, San Juan County, Projected 2006.  
Harvesting dates: June 1 - October 15

ITEM	PRICE	YIELD						TOTAL
<b>GROSS RETURNS</b>								
ALFALFA HAY	\$130.00	5.00 TONS (STACKED)						\$650.00
GRAZING	\$10.00	2.00 AUM						\$20.00
<b>TOTAL</b>							<b>\$670.00</b>	
<b>PURCHASED INPUTS</b>								
PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS				FIXED COST	TOTAL
PHOSPHATE (P2O5)	\$0.40	45 LBS	\$18.00					\$18.00
INSECTICIDE (AERIAL)	\$17.25	1 ACRE	\$17.25					\$17.25
WIRE	\$0.50	43 LBS	\$21.43					\$21.43
ESTABLISHMENT: Principal		6 YEARS					\$37.04	\$37.04
: Interest							\$19.84	\$19.84
LIVESTOCK FAC & EQUIP							\$5.00	\$5.00
CANAL WATER		60 AC. IN.					\$13.75	\$13.75
CANAL WATER (MAINTENANCE)		1 ACRE					\$8.00	\$8.00
<b>SUBTOTAL</b>			<b>\$56.68</b>				<b>\$83.63</b>	<b>\$140.31</b>
<b>PREHARVEST OPERATIONS</b>								
	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
FERTILIZE	96 HP	0.05 HR		\$0.33	\$0.61	\$0.10	\$0.64	\$1.68
DITCHER (2X)	40 HP	0.10 HR		\$0.67	\$0.75	\$0.11	\$4.03	\$5.55
IRRIGATE (10X)		5.00 HR		\$31.75				\$31.75
<b>SUBTOTAL</b>	<b>5.15 HR</b>			<b>\$32.75</b>	<b>\$1.36</b>	<b>\$0.22</b>	<b>\$4.67</b>	<b>\$38.99</b>
<b>HARVEST OPERATIONS</b>								
SWATHER (3X)	14 FT	0.48 HR		\$3.19	\$3.59	\$0.28	\$43.63	\$50.69
BALER (3X)	96 HP	0.63 HR		\$4.19	\$7.67	\$1.40	\$19.62	\$32.88
BALE WAGON (3X)	96 HP	0.60 HR		\$3.99	\$7.31	\$2.01	\$31.72	\$45.03
<b>SUBTOTAL</b>	<b>1.71 HR</b>			<b>\$11.37</b>	<b>\$18.57</b>	<b>\$3.69</b>	<b>\$94.97</b>	<b>\$128.61</b>
<b>OVERHEAD EXPENSES</b>								
DOWNTIME		0.44 HR		\$2.93				\$2.93
EMPLOYEE BENEFITS				\$7.94				\$7.94
INSURANCE			\$0.88					\$0.88
LAND TAXES							\$2.10	\$2.10
SUPERVISION AND MANAGEMENT				\$52.78				\$52.78
OTHER EXPENSES			\$223.09					\$223.09
<b>SUBTOTAL</b>	<b>0.44 HR</b>		<b>\$223.97</b>	<b>\$63.65</b>			<b>\$2.10</b>	<b>\$289.73</b>
<b>TOTAL OPERATING EXPENSES</b>	<b>7.30 HR</b>		<b>\$280.65</b>	<b>\$107.77</b>	<b>\$19.93</b>	<b>\$3.91</b>	<b>\$185.37</b>	<b>\$597.63</b>
<b>NET OPERATING PROFIT</b>								<b>\$72.37</b>
INTEREST ON OPERATING CAPITAL		( \$30.59 @	8.00%	)				\$2.45
INTEREST ON EQUIPMENT INVESTMENT								\$79.47
<b>RETURN TO LAND AND RISK</b>								<b>(\$9.55)</b>

BUDGET SUMMARY

GROSS RETURN		\$670.00	
VARIABLE OPERATING EXPENSES	\$304.49		
RETURN OVER VARIABLE EXPENSES	\$365.51	(GROSS MARGIN)	
FIXED EXPENSES	\$185.37		
NET FARM INCOME	\$180.14	(RETURN TO CAPITAL, LABOR, LAND & RISK)	
LABOR AND MANAGEMENT COST	\$107.77		
NET OPERATING PROFIT	\$72.37	(RETURN TO CAPITAL, LAND & RISK)	
CAPITAL COSTS	\$81.92		
<b>RETURN TO LAND AND RISK</b>			<b>(\$9.55)</b>



TABLE 8. Permanent pasture, flood-irrigated, budgeted per acre costs and returns for an 80 acre farm, San Juan County, Projected 2006.  
Harvesting dates: Year Round

ITEM	PRICE	YIELD						TOTAL
<b>GROSS RETURNS</b>								
PASTURE	\$12.00	12.00 AUMS						\$144.00
<b>TOTAL</b>							<b>\$144.00</b>	
<b>PURCHASED INPUTS</b>								
	PRICE	QUANTITY	PURCHASED INPUTS		FIXED COST		TOTAL	
NITROGEN (N)	\$0.52	100 LBS	\$52.00				\$52.00	
LIVESTOCK FAC & EQUIP					\$5.00		\$5.00	
ESTABLISHMENT: Principal		15 YEARS			\$17.36		\$17.36	
: Interest					\$6.56		\$6.56	
CANAL WATER		62 AC. IN.			\$14.21		\$14.21	
CANAL WATER (MAINTENANCE)		1 ACRE			\$8.00		\$8.00	
<b>SUBTOTAL</b>			<b>\$52.00</b>		<b>\$51.13</b>		<b>\$103.13</b>	
<b>PREHARVEST OPERATIONS</b>								
	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
FERTILIZE	96 HP	0.05 HR		\$0.33	\$0.61	\$0.10	\$0.64	\$1.68
CORRUGATE	40 HP	0.21 HR		\$1.40	\$1.57	\$0.75	\$5.62	\$9.34
DITCHER (2X)	40 HP	0.10 HR		\$0.67	\$0.75	\$0.11	\$4.03	\$5.55
IRRIGATE (11X)		5.50 HR		\$34.93				\$34.93
<b>SUBTOTAL</b>		<b>5.86 HR</b>		<b>\$37.32</b>	<b>\$2.93</b>	<b>\$0.96</b>	<b>\$10.29</b>	<b>\$51.50</b>
<b>OVERHEAD EXPENSES</b>								
DOWNTIME		0.09 HR		\$0.60				\$0.60
EMPLOYEE BENEFITS				\$6.72				\$6.72
INSURANCE			\$0.75					\$0.75
LAND TAXES						\$2.10		\$2.10
SUPERVISION AND MANAGEMENT				\$15.76				\$15.76
OTHER EXPENSES			\$223.09					\$223.09
<b>SUBTOTAL</b>		<b>0.09 HR</b>	<b>\$223.84</b>	<b>\$23.08</b>			<b>\$2.10</b>	<b>\$249.02</b>
<b>TOTAL OPERATING EXPENSES</b>		<b>5.95 HR</b>	<b>\$275.84</b>	<b>\$60.39</b>	<b>\$2.93</b>	<b>\$0.96</b>	<b>\$63.52</b>	<b>\$403.64</b>
<b>NET OPERATING PROFIT</b>							<b>(\$259.64)</b>	
INTEREST ON OPERATING CAPITAL		(	\$26.97	@	8.00%	)	\$2.16	
INTEREST ON EQUIPMENT INVESTMENT							\$9.94	
<b>RETURN TO LAND AND RISK</b>							<b>(\$271.74)</b>	

<b>BUDGET SUMMARY</b>			
GROSS RETURN		\$144.00	
VARIABLE OPERATING EXPENSES	\$279.73		
RETURN OVER VARIABLE EXPENSES		(\$135.73)	(GROSS MARGIN)
FIXED EXPENSES	\$63.52		
NET FARM INCOME		(\$199.25)	(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$60.39		
NET OPERATING PROFIT		(\$259.64)	(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$12.09		
RETURN TO LAND AND RISK		(\$271.74)	

TABLE 9. Corn for silage, flood-irrigated, budgeted per acre costs and returns for an 80 acre farm, San Juan County, Projected 2006.  
 Planting dates: May 1 - May 20  
 Harvesting dates: September 1 - September 30

ITEM	PRICE	YIELD	TOTAL
<b>GROSS RETURNS</b>			
CORN SILAGE	\$38.00	21.00 TONS (HAULED)	\$798.00
<b>TOTAL</b>			<b>\$798.00</b>

PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS	FIXED COST	TOTAL
SEED	\$1.25	30 000	\$37.50		\$37.50
ANHYDROUS AMMONIA (NH3)	\$0.26	225 LBS	\$59.06		\$59.06
HERBICIDE	\$16.00	1 ACRE	\$16.00		\$16.00
CANAL WATER		48 AC. IN.		\$11.00	\$11.00
CANAL WATER (MAINTENANCE)		1 ACRE		\$8.00	\$8.00
<b>SUBTOTAL</b>			<b>\$112.56</b>	<b>\$19.00</b>	<b>\$131.56</b>

PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
PLOW	96 HP	0.67 HR		\$4.46	\$8.16	\$4.17	\$26.12	\$42.91
DISC (2X)	96 HP	0.34 HR		\$2.26	\$4.14	\$1.65	\$16.14	\$24.19
HARROW	96 HP	0.19 HR		\$1.26	\$2.31	\$0.40	\$4.00	\$7.97
FERTILIZE	96 HP	0.05 HR		\$0.33	\$0.61	\$0.10	\$0.64	\$1.68
CORRUGATE	40 HP	0.21 HR		\$1.40	\$1.57	\$0.75	\$5.62	\$9.34
PRE-IRRIGATE		0.75 HR		\$4.76				\$4.76
PLANTER	96 HP	0.26 HR		\$1.73	\$3.17	\$0.96	\$38.73	\$44.59
CULTIVATOR (2X)	40 HP	0.42 HR		\$2.79	\$3.14	\$1.49	\$11.24	\$18.67
IRRIGATE (9X)		4.50 HR		\$28.58				\$28.58
<b>SUBTOTAL</b>		<b>7.39 HR</b>		<b>\$47.57</b>	<b>\$23.10</b>	<b>\$9.53</b>	<b>\$102.48</b>	<b>\$182.68</b>

HARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
SILAGE CHOPPER, PTO	96 HP	0.71 HR		\$4.72	\$8.65	\$1.73	\$58.88	\$73.98
LOAD & HAUL	40 HP	0.71 HR		\$4.72	\$5.31	\$1.20	\$28.85	\$40.08
<b>SUBTOTAL</b>		<b>1.42 HR</b>		<b>\$9.44</b>	<b>\$13.96</b>	<b>\$2.94</b>	<b>\$87.72</b>	<b>\$114.06</b>

OVERHEAD EXPENSES	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
DOWNTIME	0.89 HR		\$5.92				\$5.92
EMPLOYEE BENEFITS			\$10.26				\$10.26
INSURANCE		\$1.14					\$1.14
LAND TAXES						\$2.10	\$2.10
SUPERVISION AND MANAGEMENT			\$62.14				\$62.14
OTHER EXPENSES		\$223.09					\$223.09
<b>SUBTOTAL</b>	<b>0.89 HR</b>		<b>\$78.32</b>			<b>\$2.10</b>	<b>\$304.66</b>

<b>TOTAL OPERATING EXPENSES</b>	<b>9.70 HR</b>		<b>\$336.79</b>	<b>\$135.33</b>	<b>\$37.06</b>	<b>\$12.47</b>	<b>\$211.31</b>	<b>\$732.97</b>
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<b>NET OPERATING PROFIT</b>								<b>\$65.03</b>
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INTEREST ON OPERATING CAPITAL	(	\$65.85	@	8.00%	)			\$5.27
INTEREST ON EQUIPMENT INVESTMENT								\$143.97

<b>RETURN TO LAND AND RISK</b>								<b>(\$84.21)</b>
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BUDGET SUMMARY			
GROSS RETURN		\$798.00	
VARIABLE OPERATING EXPENSES	\$386.32		
RETURN OVER VARIABLE EXPENSES	\$411.68		(GROSS MARGIN)
FIXED EXPENSES	\$211.31		
NET FARM INCOME	\$200.37		(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$135.33		
NET OPERATING PROFIT	\$65.03		(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$149.24		
RETURN TO LAND AND RISK			(\$84.21)

TABLE 10. Summary of per acre costs and returns for an 80 acre farm, San Juan County,  
Projected 2006.

	ALFALFA ESTABLISHMENT	ALFALFA HAY	ANNUAL PASTURE ESTABLISHMENT	ANNUAL PASTURE	CORN FOR SILAGE
	TONS	TONS		AUMS	TONS
PRIMARY YIELD	2.25	5.00		12.00	21.00
PRIMARY PRICE	\$120.00	\$130.00		\$12.00	\$38.00
GOVERNMENT PAYMENTS	\$0.00	\$0.00		\$0.00	\$0.00
SECOND INCOME	\$10.00	\$20.00		\$0.00	\$0.00
GROSS RETURN	\$280.00	\$670.00		\$144.00	\$798.00
CASH OPERATING EXPENSES					
SEED	\$78.40		\$25.20		\$37.50
FERTILIZER	\$18.00	\$18.00	\$30.40	\$52.00	\$59.06
CHEMICALS		\$17.25			\$16.00
CROP INSURANCE					
OTHER PURCHASED INPUTS	\$9.64	\$21.43	\$0.00	\$0.00	\$0.00
CANAL WATER					
FUEL, OIL & LUBRICANTS-EQUIPMENT	\$26.29	\$19.93	\$20.10	\$2.93	\$37.06
FUEL-IRRIGATION					
REPAIRS	\$9.07	\$3.91	\$7.84	\$0.96	\$12.47
CUSTOM CHARGES					
LAND TAXES	\$2.10	\$2.10		\$2.10	\$2.10
OTHER EXPENSES	\$0.69	\$223.97	\$0.43	\$223.84	\$224.23
TOTAL CASH EXPENSES	\$144.20	\$306.60	\$83.97	\$281.83	\$388.43
RETURN OVER CASH EXPENSES	\$135.80	\$363.40	(\$83.97)	(\$137.83)	\$409.57
FIXED EXPENSES	\$175.35	\$183.26	\$129.50	\$61.41	\$209.21
TOTAL EXPENSES	\$319.55	\$489.86	\$213.47	\$343.25	\$597.63
NET FARM INCOME	(\$39.55)	\$180.14	(\$213.47)	(\$199.25)	\$200.37
LABOR AND MANAGEMENT COSTS	\$80.99	\$107.77	\$46.86	\$60.39	\$135.33
NET OPERATING PROFIT	(\$120.54)	\$72.37	(\$260.33)	(\$259.64)	\$65.03
CAPITAL COSTS					
INTEREST ON OPERATING CAPITAL	\$4.85	\$2.45		\$2.16	\$5.27
INTEREST ON EQUIPMENT INVESTMENT	\$96.84	\$79.47		\$9.94	\$143.97
TOTAL CAPITAL COSTS	\$101.69	\$81.92	\$0.00	\$12.09	\$149.24
RETURN TO LAND AND RISK	(\$222.22)	(\$9.55)	(\$260.33)	(\$271.74)	(\$84.21)

TABLE 11. Whole farm summary, San Juan County,  
Projected 2006.

GROSS RETURNS		
OAT HAY	6.00 ACRES	
CROP		\$1,620
GRAZING		\$60
ALFALFA HAY	34.00 ACRES	
CROP		\$22,100
GRAZING		\$680
PASTURE	20.00 ACRES	
GRAZING		\$2,880
CORN FOR SILAGE	20.00 ACRES	
CROP		\$15,960
GROSS RETURN		<u>\$43,300</u>
CASH OPERATING EXPENSES		
SEED		\$1,246
FERTILIZER		\$2,972
CHEMICALS		\$907
CROP INSURANCE		\$0
OTHER PURCHASED INPUTS		\$786
CANAL WATER		\$0
FUEL, OIL & LUBRICANTS-EQUIPMENT		\$1,655
FUEL-IRRIGATION		\$0
REPAIRS		\$464
CUSTOM CHARGES		\$0
LAND TAXES		\$168
OTHER EXPENSES		\$16,581
TOTAL CASH EXPENSES		<u>\$24,779</u>
RETURN OVER CASH EXPENSES		\$18,521
FIXED EXPENSES		\$11,219
TOTAL EXPENSES		\$35,997
NET FARM INCOME		\$7,303
LABOR AND MANAGEMENT COSTS		\$8,111
NET OPERATING PROFIT		(\$809)
CAPITAL COSTS		
INTEREST ON OPERATING CAPITAL		\$261
INTEREST ON EQUIPMENT INVESTMENT		\$6,361
TOTAL CAPITAL COSTS		<u>\$6,622</u>
RETURN TO LAND AND RISK		<u>(\$7,431)</u>

LAND VALUE	RETURN TO RISK*	RETURN ON INVESTMENT**
\$1,000 /ACRE	(\$9,831)	-0.64%
\$2,500 /ACRE	(\$13,431)	-0.33%
\$4,000 /ACRE	(\$17,031)	-0.22%
\$5,500 /ACRE	(\$20,631)	-0.17%
\$7,000 /ACRE	(\$24,231)	-0.13%
\$8,500 /ACRE	(\$27,831)	-0.11%

\* 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)