

TABLE 1. Basic cost information for the Eastern Slope, 2003.

Item			
Labor Wage Rate:	\$/hour		\$5.15
Purchased Inputs:			
Fertilizer:			
Nitrogen (N)	\$/pound		\$0.36
Phosphate (P205)	\$/pound		\$0.33
Baling wire	\$/pound		\$0.39
Canal water	\$/acre		\$4.00
Energy:			
Butane	\$/MCF		\$1.21
Diesel fuel	\$/gallon		\$1.30
Gasoline	\$/gallon		\$1.35
Electricity	cents/KwHr		10.46
Natural Gas	\$/MCF		\$3.28
Employee Liability Insurance	\$/1,000 wages		\$20.00
Employee Benefits	percent/w ages		12.00%
Labor Downtime	percent		25.00%
Financial Rates:			
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	\$237.33 /acre (full value)		\$1.91
Personal Property Tax Rate - NR	\$/1,000 (Assessed Value)		\$24.17
	- R		\$19.53
Supervision Factors			
Field Crop-Irrigation	\$/labor hour		\$1.00
Field Crop-Equipment & General	\$/labor hour		\$0.50
Vegetable Crop-Irrigation	\$/labor hour		\$2.90
Vegetable Crop-Equip & General	\$/labor hour		\$1.00
Management Rate			
Field Crops	percent/GR		7.00%
Vegetable Crops	percent/TOE		10.00%

BUDGET AREA..... EASTERN SLOPE , 2003.
 FARM SIZE..... 200 ACRES
 IRRIGATION TYPE... FLOOD
 NUMBER OF CROPS... 3

ACREAGE SUMMARY:	LAND USE (ACRES)	WATER USE	
		AC.IN. PER AC.	TOTAL AC.IN.
ALFALFA ESTABLISHMENT	7.0 *	12	84
ALFALFA	40.0	36	1,440
GRASS HAY ESTABLISHMENT	8.0 *	18	144
GRASS HAY	160.0	36	5,760
OAT HAY	0.0	0	0
	0.0 *	1.31	0
	0.0	30	0
CORN SILAGE	0.0	0	0
WHEAT	0.0	0	0
ARP	0.0		
FLEX IN SUDAN HAY	0.0	30	0
BARLEY	0.0	0	0
ARP	0.0		
FLEX IN SUDAN HAY	0.0	30	0
CORN	0.0	0	0
ARP	0.0		
FLEX IN SUDAN HAY	0.0	30	0
GREEN CHILE	0.0	0	0
ROADS & DITCHES	0.0		
TOTAL	200.0		7,428
ACRE FEET PER ACRE OF WATER RIGHTS			3.10

* DOUBLE-CROPPED

TABLE 1a. Overhead cost information for the Eastern Slope, 2003.

ITEM	CROP ENTERPRISE		LIVESTOCK ENTERPRISE	TOTAL
	Electricity (Domestic & Shop)	\$60.00	per month	\$720
Telephone	\$50.00	per month	\$600	\$660.00
Accounting & Legal			\$160	\$159.65
Misc. Supplies & Hand Tools			\$370	\$370.00
Pickup and Auto miles	Crop Ent. 4000	Livestock Ent. 2000 @ \$0.365 per mile	\$1,460	\$730.00
Insurance				\$2,190.00
- general liability (non-employee)			\$170	\$0.00
- fire/theft			\$170	\$169.95
Property Taxes				\$170.00
- non-planted land			\$0	\$0.00
- other than land & machinery			\$115	\$0.00
Building repairs and maintenance			\$185	\$115.00
Dues, fees, publications			\$125	\$18.54
Farmstead Equipment			\$165	\$6.25
			\$16.48	\$131.25
				\$181.28
Total			\$4,240	\$903
Total Per Planted Acre			\$21.20	\$5,143

Table 2. Pumping Costs and Data For Irrigation Wells, Eastern Slope, 2003.

INPUT DATA

DELIVERY PSI:		DEPTH CHARACTERISTICS:	
SPRINKLER...	0	STATIC.....	15
		DRAW DOV.....	55
		TOTAL HEAD.....	70
		CASING.....	125
GALLONS PER MINUTE (GPM)...	1500		
WORK HORSEPOWER	27		
EFFICIENCY FACTOR:			
ELECTRICITY.....	0.447		
NATURAL GAS.....	0.125		
BUTANE.....	0.186		
DIESEL.....	0.199		
FUEL COST PER UNIT:			
ELECTRICITY.....	\$10.46	CENTS/K	wH
NATURAL GAS.....	\$3.50	\$/MCF	
BUTANE.....	\$1.21	\$/GAL	
DIESEL.....	\$1.30	\$/GAL	

FUEL PUMPING COSTS:

ELECTRICAL WELL:	
COST PER HOUR.....	\$ 4.66
COST PER ACRE INCH.....	\$1.41
NATURAL GAS WELL:	
COST PER HOUR.....	\$ 2.10
COST PER ACRE INCH.....	\$0.63
BUTANE WELL:	
COST PER HOUR.....	\$ 4.81
COST PER ACRE INCH.....	\$1.45
DIESEL WELL:	
COST PER HOUR.....	\$ 3.14
COST PER ACRE INCH.....	\$0.95

TABLE 2a. Equipment summary for a 200 acre farm with above average management, Eastern Slope, 2003.

EQUIPMENT ITEM & SIZE	ANNUAL HOURS OF USE		VARIABLE COSTS					FIXED COSTS		
	HOURS	NUMBER	TOTAL VALUE	FUEL AND LUBRICANT	FUEL, LUBE REPAIR	PER HR	REPAIR PER HR	DEPRECIATION	TAXES	TOTAL PER HOUR
TRACTOR 40 HP	36	1	\$1,600	\$144	\$14	\$4.04	\$0.41	\$63	\$10	\$2.04
DISC 12 FT	17	1	\$2,250		\$0		\$0.00	\$300	\$18	\$18.71
PLOW 3-BOTTOM (FLIP)	20	1	\$3,750		\$0		\$0.00	\$447	\$27	\$24.10
BORDER DISC 6-DISC	0	1	\$750		\$0		\$0.00	\$100	\$6	\$302.98
FLOAT	3	1	\$200		\$0		\$0.00	\$27	\$2	\$9.85
			\$8,350	\$144	\$14			\$909	\$61	

Table 3a. Livestock Production Parameters

NUMBER OF COWS	100
COWS PER BULL	25
NUMBER OF HORSES	1
REPLACEMENT RATE (%)	10.00%
CALF DEATH LOSS (%)	3.00%
YEARLING DEATH LOSS (%)	0.00%
COW DEATH LOSS (%)	2.00%
BULL DEATH LOSS (%)	0.00%
CALF CROP (%)	92.00%
PRODUCTIVE LIFE OF BULLS (YEARS)	4
PERCENT SOLD AS YEARLINGS:	
HEIFERS	0.00%
STEERS	0.00%

Table 3b. Forage Sources for Livestock

	ACRES	AUMS/ ACRE	AUMS PROVIDED
ALFALFA	40.00	1.00	40.00
GRASS HAY	160.00	1.00	160.00
LEASED RANGELAND			796.95
BALED HAY (TONS)		160.50	401
TOTAL	200.00		1398.20

Table 3c. STOCK COUNT CHART CALVES WERE BORN IN: MARCH

SEASON	REPLACEMENT		YEARLING		STEERS CALVES	HEIFER CALVES	HORSES	TOTAL AUMs REQUIRED
	BULLS 1.4	COWS 1.0	HEIFERS 0.7	STEERS 0.7				
JANUARY	4	100			0	10	1	112
FEBUARY	4	100			0	10	1	112
MARCH	4	100	10				1	114
APRIL	4	100	10				1	114
MAY	4	100	10				1	114
JUNE	4	100	10				1	114
JULY	4	100	10				1	114
AUGUST	4	100	10				1	114
SEPTEMBER	4	100	10				1	114
OCTOBER	4	100			47	47	1	154
NOVEMBER	4	100			0	10	1	112
DECEMBER	4	100			0	10	1	112
								1,398

Table 3d. FORAGE BALANCE CHART

	TOTAL	ALFALFA	PASTURE/ GRASS HAY	NATIVE RANGELAND	TOTAL	HAY
	AUMs REQUIRED				AUMs SUPPLIED	
JANUARY	112	8	32	0	40	72
FEBRUARY	112	8	32	0	40	72
MARCH	114	0	32	0	32	82
APRIL	114	0	0	114	114	0
MAY	114	0	0	114	114	0
JUNE	114	0	0	114	114	0
JULY	114	0	0	114	114	0
AUGUST	114	0	0	114	114	0
SEPTEMBER	114	0	0	114	114	0
OCTOBER	154	8	0	114	122	32
NOVEMBER	112	8	32	0	40	72
DECEMBER	112	8	32	0	40	72
Total AUMs	1398	40	160	797	997	401

TABLE 3. Grass hay establishment, flood irrigated, budgeted per acre costs and returns for a 200 acre part-time farm, with above average management, Eastern Slope, 2003.
Planting dates: May 15 - July 1

ITEM	PRICE	QUANTITY	PURCHASED INPUTS	TOTAL				
<u>PURCHASED INPUTS</u>								
GRASS HAY SEED	\$0.36	15 LBS	\$5.40	\$5.40				
NITROGEN (N)	\$0.36	70 LBS	\$25.20	\$25.20				
PHOSPHATE (P205)	\$0.33	35 LBS	\$11.55	\$11.55				
CANAL WATER (MAINTENANCE)		18 AC. IN.		\$0.00				
SUBTOTAL			\$42.15	\$42.15				
<u>PREHARVEST OPERATIONS</u>	<u>POWER UNIT</u>	<u>ACCOMPLISHMENT RATE</u>	<u>PURCHASED INPUTS</u>	<u>LABOR</u>	<u>FUEL & OIL</u>	<u>REPAIRS</u>	<u>FIXED COST</u>	<u>TOTAL</u>
PLOW	40 HP	1.31 HR		\$6.75	\$5.29	\$0.53	\$34.25	\$46.81
DISC (2X)	40 HP	0.62 HR		\$3.19	\$2.50	\$0.25	\$12.87	\$18.81
FERTILIZE	40 HP	0.05 HR		\$0.26	\$0.20	\$0.02	\$0.10	\$0.58
DRAG	40 HP	0.32 HR		\$1.65	\$1.29	\$0.13	\$0.65	\$3.72
BROADCAST SEEDER	40 HP	0.05 HR		\$0.26	\$0.20	\$0.02	\$0.10	\$0.58
IRRIGATE (3X)		2.25 HR		\$11.59				\$11.59
SUBTOTAL		4.60 HR		\$23.69	\$9.49	\$0.95	\$47.97	\$82.10
<u>OVERHEAD EXPENSES</u>								
DOWNTIME		1.81 HR		\$9.30				\$9.30
EMPLOYEE BENEFITS				\$2.84				\$2.84
INSURANCE			\$0.47					\$0.47
LAND TAXES							\$1.91	\$1.91
SUPERVISION AND MANAGEMENT				\$128.80				\$128.80
OTHER EXPENSES			\$21.20					\$21.20
SUBTOTAL		1.81 HR	\$21.67	\$140.94			\$1.91	\$164.52
TOTAL OPERATING EXPENSES		6.41 HR	\$63.82	\$164.63	\$9.49	\$0.95	\$49.88	\$288.78

TABLE 4. Alfalfa establishment, flood-irrigated, budgeted per acre costs and returns for a 200 acre farm with above average management, Eastern Slope, 2003.
Planting dates: August 15 - October 1

ITEM	PRICE	QUANTITY	PURCHASED INPUTS		TOTAL			
<u>PURCHASED INPUTS</u>								
ALFALFA SEED	\$2.95	20 LBS		\$59.00	\$59.00			
NITROGEN (N)	\$0.36	16 LBS		\$5.76	\$5.76			
PHOSPHATE (P2O5)	\$0.33	20 LBS		\$6.60	\$6.60			
CANAL WATER		12 AC. IN.						
OAT SEED	\$0.28	60 LBS		\$16.80	\$16.80			
SUBTOTAL				\$88.16	\$88.16			
PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
DISC	40 HP	0.63 HR		\$3.24	\$2.54	\$0.26	\$13.07	\$19.12
PLOW	40 HP	1.31 HR		\$6.75	\$5.29	\$0.53	\$15.58	\$28.14
DISC (1X)	40 HP	0.53 HR		\$2.73	\$0.00	\$0.21	\$6.30	\$9.25
FLOAT	40 HP	0.32		\$1.65	\$0.00	\$0.00	\$0.00	
BORDER DISC	40 HP	0.05 HR		\$0.26	\$0.20	\$0.02	\$15.25	\$15.73
DRILL	CUSTOM		\$12.73	\$0.00	\$0.00	\$0.00	\$0.00	\$12.73
IRRIGATE (2X)		2.25 HR		\$11.59				\$11.59
CORRUGATE	40 HP	0.54 HR		\$2.78	\$2.18	\$0.22	\$2.04	\$7.22
SUBTOTAL		5.63 HR	\$12.73	\$28.99	\$10.22	\$1.24	\$52.24	\$105.42
<u>OVERHEAD EXPENSES</u>								
DOWNTIME		2.11 HR		\$10.84				\$10.84
EMPLOYEE BENEFITS				\$3.48				\$3.48
INSURANCE			\$0.58					\$0.58
SUPERVISION AND MANAGEMENT				\$17.22				\$17.22
SUBTOTAL		2.11 HR	\$0.58	\$31.54				\$32.12
TOTAL OPERATING EXPENSES		7.74 HR	\$101.47	\$60.54	\$10.22	\$1.24	\$52.24	\$225.70

TABLE 5. Alfalfa hay, flood-irrigated, budgeted per acre costs and returns for a 200 acre farm with above average management, Eastern Slope, 2003.
Harvest dates: June 10 - October 15

ITEM	PRICE	YIELD						TOTAL
GROSS RETURNS								
ALFALFA HAY	\$140.00	4.00	TONS (STACKED)					\$560.00
GRAZING	\$10.00	1.00	AUM					\$10.00
TOTAL								\$570.00
PURCHASED INPUTS								
PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS				FIXED COST	TOTAL
NITROGEN (N)	\$0.36	40 LBS	\$14.40					\$14.40
PHOSPHATE (P2O5)	\$0.33	30 LBS	\$9.90					\$9.90
INSECTICIDE (CUSTOM)	\$0.00	0 ACRE	\$0.00					\$0.00
WIRE	\$0.39	34 LBS	\$13.37					\$13.37
ESTABLISHMENT: Principal		6 YEARS					\$37.62	\$37.62
: Interest							\$8.61	\$8.61
CANAL WATER		36 AC. IN.					\$4.00	\$4.00
SUBTOTAL			\$37.67				\$50.23	\$87.90
PREHARVEST OPERATIONS								
PURCHASED INPUTS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
CLEAN DITCHES	CUSTOM		\$10.00					
IRRIGATE (6X)		2.25 HR		\$11.59				\$11.59
FERTILIZE	40HP	0.05 X/ACRE		\$0.26	\$0.20	\$0.02	\$0.10	\$0.58
SUBTOTAL		2.30 HR	\$10.00	\$11.85	\$0.20	\$0.02	\$0.10	\$22.17
HARVEST OPERATIONS								
MOWER	CUSTOM		\$30.00					\$30.00
BALER	CUSTOM		4.15					\$4.15
RAKE	CUSTOM		\$104.00					\$104.00
LOAD AND STACK	CUSTOM		\$78.40					\$78.40
SUBTOTAL			\$216.55					\$216.55
OVERHEAD EXPENSES								
DOWNTIME				\$0.00				\$0.00
EMPLOYEE BENEFITS				\$1.42				\$1.42
INSURANCE			\$0.24					\$0.24
LAND TAXES							\$1.91	\$1.91
SUPERVISION AND MANAGEMENT				\$42.15				\$42.15
OTHER EXPENSES			\$21.20					\$21.20
SUBTOTAL			\$21.44	\$43.57			\$1.91	\$66.92
TOTAL OPERATING EXPENSES		2.25 HR	\$332.62	\$55.42	\$0.20	\$0.02	\$52.24	\$393.54
NET OPERATING PROFIT								\$176.46
INTEREST ON OPERATING CAPITAL	(\$18.83	@	8.00%				\$1.51
INTEREST ON EQUIPMENT INVESTMENT								\$2.27
RETURN TO LAND AND RISK								\$172.68
BUDGET SUMMARY								
GROSS RETURN		\$570.00						
VARIABLE OPERATING EXPENSES	\$332.84							
RETURN OVER VARIABLE EXPENSES		\$237.16	(GROSS MARGIN)					
FIXED EXPENSES	\$52.24							
NET FARM INCOME		\$184.92	(RETURN TO CAPITAL, LABOR, LAND & RISK)					
LABOR AND MANAGEMENT COST	\$55.42							
NET OPERATING PROFIT		\$129.50	(RETURN TO CAPITAL, LAND & RISK)					
CAPITAL COSTS	\$3.78							
RETURN TO LAND AND RISK		\$125.72						

TABLE 6. Grass hay establishment, flood-irrigated, budgeted per acre costs and returns for a 200 acre farm with above average management, Eastern Slope, 2003.
Planting dates: August 15 - October 1

ITEM	PRICE	QUANTITY	PURCHASED INPUTS	TOTAL				
PURCHASED INPUTS								
FESCUE SEED	\$2.85	17 LBS	\$48.45	\$48.45				
PHOSPHATE	\$0.33	30 LBS	\$9.90	\$9.90				
NITROGEN	\$0.36	70 LBS	\$25.20	\$25.20				
CANAL WATER		18 AC. IN.						
TIMOTHY SEED	\$1.32	15	\$19.80	\$19.80				
SUBTOTAL			\$103.35	\$103.35				
PREHARVEST OPERATIONS								
	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
DISC	40 HP	1.06 HR		\$5.46	\$4.28	\$0.43	\$22.00	\$32.17
PLOW	40 HP	1.31 HR		\$6.75	\$5.29	\$0.53	\$34.25	\$46.81
FERTILIZE	40 HP	0.05 HR		\$0.26	\$0.20	\$0.02	\$1.04	\$1.52
FLOAT	40 HP	0.32 HR		\$1.65	\$1.29	\$0.13	\$0.65	\$3.72
BORDER DISC	40 HP	0.10 HR		\$0.52	\$0.40	\$0.04	\$30.50	\$31.46
DRILL	CUSTOM		\$13.67					\$13.67
IRRIGATE (3X)		2.25 HR		\$11.59				\$11.59
CORRUGATE		0.54		\$2.78	\$2.18	\$0.22	\$1.10	\$6.28
SUBTOTAL		5.63 HR	13.67	28.99	13.65	1.37	89.53	\$147.22
OVERHEAD EXPENSES								
DOWNTIME		0.71 HR		\$3.66				\$3.66
EMPLOYEE BENEFITS				\$7.25				\$7.25
INSURANCE			\$0.58					\$0.58
SUPERVISION AND MANAGEMENT				\$21.21				\$21.21
SUBTOTAL		0.71 HR	\$0.58	\$32.11				\$32.69
TOTAL OPERATING EXPENSES		6.34 HR	\$117.60	\$61.11	\$13.65	\$1.37	\$89.53	\$283.26

TABLE 7. Grass hay pasture, flood-irrigated, budgeted per acre costs and returns for a 200 acre farm with above with above average management, Eastern Slope, 2003.
Harvest dates: May 1 - November 30

ITEM	PRICE	YIELD						TOTAL
GROSS RETURNS								
GRASS HAY	\$10.00	2 TONS						\$20.00
PASTURE	\$10.00	1.00 AUMS						\$10.00
TOTAL								\$30.00
PURCHASED INPUTS								
PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS				FIXED COST	TOTAL
PHOSPHATE	\$0.33	34	\$11.22					\$11.22
NITROGEN	\$0.36	70 LBS	\$25.20					\$25.20
ESTABLISHMENT: Principal		20 YEARS					\$14.16	\$14.16
: Interest							\$10.05	\$10.05
CANAL WATER		36 AC. IN.					\$4.00	\$4.00
SUBTOTAL			\$36.42				\$28.21	\$64.63
PREHARVEST OPERATIONS								
PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
FERTILIZE	40HP	0.05		\$0.26	\$0.20	\$0.02	\$0.10	\$0.58
IRRIGATE (3X)		5.00 HR		\$25.75				\$25.75
CLEAN DITCHES	CUSTOM		\$5.00					\$5.00
SUBTOTAL		5.00 HR	\$5.00	\$26.01	\$0.20	\$0.02	\$0.10	\$31.33
HARVEST OPERATIONS								
MOWER	CUSTOM		\$30.00					\$30.00
BALER	CUSTOM		4.15					\$4.15
RAKE	CUSTOM		\$104.00					\$104.00
LOAD AND STACK	CUSTOM		\$78.40					\$78.40
OVERHEAD EXPENSES			\$216.55					\$216.55
OTHER EXPENSES								
DOWNTIME				\$0.00				\$0.00
EMPLOYEE BENEFITS				\$3.12				\$3.12
INSURANCE			\$0.52					\$0.52
LAND TAXES							\$1.91	\$1.91
SUPERVISION AND MANAGEMENT				\$4.60				\$4.60
OTHER EXPENSES			\$21.20					\$21.20
SUBTOTAL			\$21.72	\$7.72			\$1.91	\$31.35
TOTAL OPERATING EXPENSES		5.00 HR	\$279.69	\$33.73	\$0.20	\$0.02	\$30.22	\$407.00
NET OPERATING PROFIT								(\$377.00)
INTEREST ON OPERATING CAPITAL	(\$64.63	@	8.00%)			\$3.10
INTEREST ON EQUIPMENT INVESTMENT								\$3.10
RETURN TO LAND AND RISK								(\$383.20)

BUDGET SUMMARY

GROSS RETURN		\$30.00	
VARIABLE OPERATING EXPENSES	\$279.91		
RETURN OVER VARIABLE EXPENSES		(\$249.91)	(GROSS MARGIN)
FIXED EXPENSES	\$30.22		
NET FARM INCOME		(\$280.13)	(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$33.73		
NET OPERATING PROFIT		(\$313.86)	(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$6.20		
RETURN TO LAND AND RISK		(\$320.06)	

Table 8. Livestock Enterprise, cost and returns for a 200 acre farm with livestock as the primary enterprise, with above average management, Eastern Slope, 2003.

GROSS RETURNS						
NUMBER		\$/CWT	Sale Weight (CWT)	Total (\$)	Guideline Value (\$/Cow)	Guideline Value (\$/AU)
0	YEARLING HEIFERS	\$92.00	4.85	\$0	\$0.00	\$0.00
0	YEARLING STEERS	102.00	5.25	0	0.00	\$0.00
36	HEIFER CALVES	110.00	4.20	16,632	166.32	\$142.74
46	STEER CALVES	120.00	4.70	25,944	259.44	\$222.66
1	BULLS	40.00	14.75	590	5.90	\$5.06
8	CULL COWS	34.00	8.85	2,407	24.07	\$20.66
1,383	MANURE	0.13	8.00	1,383	13.83	\$11.87
TOTAL				\$46,956	\$469.56	\$403.00

NUMBER	PURCHASED INPUTS	Unit	\$/Unit	Total	Guideline Value (\$/Cow)	Guideline Value (\$/AU)
FORAGE:						
40	ALFALFA	AUM	\$10.00	\$400	\$4.00	\$3.43
160	PERMANENT PASTURE	AUM	\$10.00	\$1,600	\$16.00	\$13.73
797	NATIVE RANGELAND	AUM	\$1.35	\$1,076	\$10.76	\$9.23
SUBTOTAL				\$3,076	\$31	\$26

	LABOR, FEED, LIVESTOCK:	Unit	\$/Unit	Total	(\$/Cow)	(\$/AU)
2	PROTEIN SUPPLEMENT	TON	245	490	\$4.90	\$4.21
1	SALT & MINERALS	TON	200	160	1.60	1.37
161	HAY	TON	140	22,470	224.70	192.85
0	GRAIN	TON	200	0	0.00	0.00
0	GRAIN CUBES	TON	200	0	0.00	0.00
	FUEL AND REPAIRS	ANNUAL		0	0.00	0.00
	VETERINARY AND MEDICINE	ANNUAL		795	7.95	6.82
0	BULLS PURCHASED	HEAD	1300	0	0.00	0.00
	LIVESTOCK TAXES	ANNUAL		19	0.19	0.16
	MAINTENANCE	ANNUAL		0	0.00	0.00
110	PREGNANCY TEST	HEAD	2	220	2.00	1.89
158	LABOR	HOUR	5	790	7.90	6.78
91	BEEF CHECKOFF PROGRAM	HEAD	1	91	0.91	0.78
	MISCELLANEOUS	ANNUAL		0	0.00	0.00
SUBTOTAL				\$25,035	\$250.15	\$214.86

OVERHEAD EXPENSES						
	EMPLOYEE BENEFITS			0	\$0.00	\$0.00
	INSURANCE			0	\$0.00	\$0.00
	DEPRECIATION			523	\$5.23	\$4.48
	SUPERVISION AND MANAGEMENT			1,563	\$15.63	\$13.41
	OTHER EXPENSES			903	\$9.03	\$7.75
SUBTOTAL				\$2,989	\$29.89	\$25.65

TOTAL OPERATING EXPENSES	\$31,099	\$310.99	\$266.91
NET OPERATING PROFIT	\$15,857	\$158.57	\$136.09
CAPITAL COST			
INTEREST ON OPERATING CAPITAL	\$1,072	\$11	\$9
INTEREST ON MACHINERY AND IMPROVEMENTS	\$730	\$7	\$6
INTEREST ON LIVESTOCK	\$0	\$0	\$0
TOTAL CAPITAL COST	\$1,802	\$18	\$15
RETURN TO RISK	\$14,055	\$141	\$121
RATE OF RETURN ON INVESTMENT	18.5195%		

BUDGET SUMMARY			
GROSS RETURN		\$46,956	
VARIABLE OPERATING EXPENSES	\$28,110		
RETURN OVER VARIABLE EXPENSES		\$18,846	
FIXED EXPENSES	\$1,426		
NET FARM INCOME		\$17,420	
LABOR AND MANAGEMENT COST	\$1,563		
NET OPERATING PROFIT		\$15,857	
CAPITAL COST	\$1,802		
RETURN TO LAND AND RISK		\$14,055	

TABLE 8. Summary of per acre costs and returns, 200 acre farm with above average management, Eastern Slope, 2003.

	ALFALFA ESTABLISHMENT	ALFALFA HAY	GRASS HAY EST.	GRASS HAY PASTURE
	-----FLOOD-----			
		TONS		TONS/AUMS
PRIMARY PRICE				20.00
PRIMARY YIELD		4.00		1.00
PRIMARY PRICE		140.00		0.00
GOVERNMENT PAYMENTS		0.00		0.00
SECOND INCOME		10.00		10.00
GROSS RETURN		\$570.00		\$30.00
CASH OPERATING EXPENSES				
SEED	\$59.00		\$48.45	
FERTILIZER	\$12.36	\$24.30	\$25.20	\$25.20
CHEMICALS		\$0.00		
CROP INSURANCE				
OTHER PURCHASED INPUTS		\$13.37		
CANAL WATER		\$4.00		\$4.00
FUEL, OIL & LUBRICANTS-EQUIPMENT	\$10.22	\$0.20	\$13.65	\$0.20
FUEL-IRRIGATION				
REPAIRS	\$1.24	\$0.02	\$1.37	\$0.02
CUSTOM CHARGES	\$12.73	\$216.55		
LAND TAXES		\$1.91		\$1.91
OTHER EXPENSES	\$0.58	\$21.44	\$0.58	\$21.72
TOTAL CASH EXPENSES	\$96.13	\$281.79	\$89.25	\$407.00
RETURN OVER CASH EXPENSES	(\$96.13)	\$288.21	(\$89.25)	(\$377.00)
FIXED EXPENSES	\$52.24	\$46.33	\$89.53	\$24.31
TOTAL EXPENSES	\$148.37	\$328.12	\$178.78	\$431.31
NET FARM INCOME	(\$148.37)	\$241.88	(\$178.78)	(\$401.31)
LABOR AND MANAGEMENT COSTS	\$60.54	\$55.42	\$61.11	\$33.73
NET OPERATING PROFIT	(\$208.90)	\$186.46	(\$239.89)	(\$435.04)
CAPITAL COSTS				
INTEREST ON OPERATING CAPITAL		\$1.51		\$3.10
INTEREST ON EQUIPMENT INVESTMENT		\$2.27		\$3.10
TOTAL CAPITAL COSTS	\$0.00	\$3.78	\$0.00	\$6.20
RETURN TO LAND AND RISK	(\$208.90)	\$182.68	(\$239.89)	(\$55.91)

Flex Computation

\$0.00

\$0.00

TABLE 9. Whole farm budget summary, Eastern Slope, 2003.

GROSS RETURNS		
ALFALFA HAY	40.0 ACRES	
CROP		\$22,400
GRAZING		\$400
GRASS HAY	160.0 ACRES	
CROP		\$41,600
GRAZING		\$1,600
SUDAN HAY (AOH)	0.0 ACRES	
CROP		\$0
GRAZING		\$0
	0.0 ACRES	\$0
		\$0
LIVESTOCK		\$46,956
GROSS RETURN		<u>\$112,956</u>
CASH OPERATING EXPENSES		
FORAGE		\$3,076
LIVESTOCK FEED		\$25,035
SEED		\$801
FERTILIZER		\$5,292
CHEMICALS		\$0
CROP INSURANCE		\$0
OTHER PURCHASED INPUTS		\$535
CANAL WATER		\$800
FUEL, OIL & LUBRICANTS-EQUIPMENT		\$221
FUEL-IRRIGATION		\$0
REPAIRS		\$24
CUSTOM CHARGES		\$8,751
LAND TAXES		\$382
OTHER EXPENSES		\$4,341
TOTAL CASH EXPENSES		<u>\$49,257</u>
RETURN OVER CASH EXPENSES		\$63,699
FIXED EXPENSES		\$3,054
TOTAL EXPENSES		\$52,312
NET FARM INCOME		\$60,645
LABOR AND MANAGEMENT COSTS		\$8,526
NET OPERATING PROFIT		\$52,119
CAPITAL COSTS		
INTEREST ON OPERATING CAPITAL		\$556
INTEREST ON EQUIPMENT INVESTMENT		\$587
TOTAL CAPITAL COSTS		<u>\$1,143</u>
RETURN TO LAND AND RISK		<u>\$50,976</u>

LAND VALUE	RETURN TO RISK*	RETURN ON INVESTMENT**
\$1,000 /ACRE	\$42,976	25.02%
\$2,000 /ACRE	\$34,976	12.76%
\$3,000 /ACRE	\$26,976	8.57%
\$4,000 /ACRE	\$18,976	6.45%
\$5,000 /ACRE	\$10,976	5.17%
\$6,000 /ACRE	\$2,976	4.31%
\$7,000 /ACRE	(\$5,024)	3.70%

* 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)