

TABLE 10. Summary of per acre costs and returns, 200 acre farm with above average management, Eastern Slope, 2004

	ALFALFA ESTABLISHMENT		ALFALFA HAY		TRASS HAY EST.		TRASS HAY PASTURE	
	FLOOD				TONS	TONS/AUMS		
PRIMARY PRICE								20
PRIMARY YIELD					2.5			1
PRIMARY PRICE					140			0
GOVERNMENT PAYMENTS					0			0
SECOND INCOME					10			10
GROSS RETURN					360			30
CASH OPERATING EXPENSES								
SEED		59						48.45
FERTILIZER	8.64		17.6					20.3
CHEMICALS			0					
CROP INSURANCE								
OTHER PURCHASED INPUTS		8.35575						
CANAL WATER			4					4
FUEL, OIL & LUBRICANTS-EQUIPMENT	10.21918		0.20196		13.6525			0.20196
FUEL-IRRIGATION								
REPAIRS	7.50018		0.01875		6.93138			0.01875
CUSTOM CHARGES	12.73		216.55					
LAND TAXES			1.912089					1.912089
OTHER EXPENSES	0.57989		22.2529		0.57989			22.53615
TOTAL CASH EXPENSES	98.67		270.89		89.91			389.64
RETURN OVER CASH EXPENSES	-98.6692		89.10855		-89.9138			-359.641
FIXED EXPENSES	52.23932		46.9194		89.5331			23.9576
TOTAL EXPENSES	150.9086		317.8108		179.4469			413.5987
NET FARM INCOME	-150.909		42.18915		-179.447			-383.599
LABOR AND MANAGEMENT COSTS	60.71321		40.7164		60.88283			33.7284
NET OPERATING PROFIT	-211.622		1.472753		-240.33			-417.327
CAPITAL COSTS								
INTEREST ON OPERATING CAPITAL			1.03823					2.713229
INTEREST ON EQUIPMENT INVESTMENT			2.274003					2.713229
TOTAL CAPITAL COSTS	0.00		3.31		0.00			5.43
RETURN TO LAND AND RISK	-211.622		-1.83948		-240.33			16.22928

TABLE 11. Whole farm budget summary, Eastern Slope 2004

GROSS RETURNS		
ALFALFA HAY	40 ACRES	14000
CROP		400
GRAZING		52000
GRASS HAY	160 ACRES	1600
CROP		0
GRAZING		0
SUDAN HAY (AOH)	0 ACRES	0
CROP		0
GRAZING	0 ACRES	0
		0
		0
LIVESTOCK		46956.4
GROSS RETURN		<u>114,956</u>
CASH OPERATING EXPENSES		
FORAGE		3075.883
LIVESTOCK FEED		25034.56
SEED		800.6
FERTILIZER		4174.88
CHEMICALS		0
CROP INSURANCE		0
OTHER PURCHASED INPUTS		334.23
CANAL WATER		800
FUEL, OIL & LUBRICANTS-EQUIPMENT		221.1462
FUEL-IRRIGATION		0
REPAIRS		111.7023
CUSTOM CHARGES		8751.11
LAND TAXES		382.4177
OTHER EXPENSES		4504.598
TOTAL CASH EXPENSES		<u>48,191</u>
RETURN OVER CASH EXPENSES		66765.27
FIXED EXPENSES		3030.722
TOTAL EXPENSES		51221.85
NET FARM INCOME		63734.55
LABOR AND MANAGEMENT COSTS		7937.255
NET OPERATING PROFIT		55797.29
CAPITAL COSTS		
INTEREST ON OPERATING CAPITAL		475.6459
INTEREST ON EQUIPMENT INVESTMENT		525.0768
TOTAL CAPITAL COSTS		<u>1,001</u>
RETURN TO LAND AND RISK		<u>54796.57</u>

LAND VALUE	RETURN TO RISK*	RETURN ON INVESTMENT**
1,000 /ACRE	46796.57	0.267806
2,000 /ACRE	38796.57	0.136641
3,000 /ACRE	30796.57	0.091719
4,000 /ACRE	22796.57	0.069026
5,000 /ACRE	14796.57	0.055335
6,000 /ACRE	6796.569	0.046176
7,000 /ACRE	-1203.43	0.039619

\* 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)