

TABLE 1. Basic cost information for the Eastern Slope, 2004.

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 , 2004.  
 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, 2004.

ITEM	CROP ENTERPRISE		LIVESTOCK ENTERPRISE	TOTAL
	Electricity (Domestic & Shop)	60.00 per month	720	
Telephone	50.00 per month	600	60.00	660.00
Accounting & Legal		160		159.65
Misc. Supplies & Hand Tools		370		370.00
Pickup and Auto	Crop Ent. Livestock Ent.			
miles	4000 2000 @	0.365 per mile	1,460 730.00	2,190.00
Insurance				
- general liability (non-employee)		170	0.00	169.95
- fire/theft		170	0.00	170.00
Property Taxes				
- non-planted land		0	0.00	0.00
- other than land & machinery		115		115.00
Building repairs and maintenance		185	18.54	203.94
Dues, fees, publications		125	6.25	131.25
Farmstead Equipment		165	16.48	181.28
Total		4,240	903	5,143
Total Per Planted Acre		21.20		

Table 2. Pumping Costs and Data For Irrigation Wells, Eastern Slope, 2004.

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, 2004.

EQUIPMENT	VARIABLE COSTS							FIXED COSTS		
	ANNUAL HOURS OF USE	NUMBER	TOTAL VALUE	FUEL AND LUBRICANT	REPAIR	FUEL,LUBE 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 (%)	0.1
CALF DEATH LOSS (%)	0.03
YEARLING DEATH LOSS (%)	0
COW DEATH LOSS (%)	0.02
BULL DEATH LOSS (%)	0
CALF CROP (%)	0.92
PRODUCTIVE LIFE OF BULLS (YEARS)	4
PERCENT SOLD AS YEARLINGS:	
HEIFERS	0
STEERS	0

Table 3b. Forage Sources for Livestock

	ACRES	AUMS/ ACRE	AUMS PROVIDED
ALFALFA	40.00	1.00	40.00
GRASS HAY	160	1	160
LEASED RANGELAND			796.95
BALED HAY (TONS)		160.5	401.25
TOTAL	200.00		1398.20

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

SEASON	BULLS 1.4	REPLACEMENT		YEARLING		STEERS CALVES 0.5	HEIFER CALVES 0.5	HORSES 1.25	TOTAL AUMs REQUIRED
		COWS 1	HEIFERS 0.7	STEERS 0.7	HEIFERS 0.7				
JANUARY	4	100				0	10	1	111.85
FEBUARY	4	100				0	10	1	111.85
MARCH	4	100	10					1	113.85
APRIL	4	100	10					1	113.85
MAY	4	100	10					1	113.85
JUNE	4	100	10					1	113.85
JULY	4	100	10					1	113.85
AUGUST	4	100	10					1	113.85
SEPTEMBER	4	100	10					1	113.85
OCTOBER	4	100				47	47	1	153.85
NOVEMBER	4	100				0	10	1	111.85
DECEMBER	4	100				0	10	1	111.85
									1,398

Table 3d. FORAGE BALANCE CHART

	TOTAL	ALFALFA	PASTURE/ GRASS HAY	NATIVE RANGELAND	TOTAL	HAY
	AUMs REQUIRED				AUMs SUPPLIED	
JANUARY	111.85	8	32	0	40	71.85
FEBRUARY	111.85	8	32	0	40	71.85
MARCH	113.85	0	32	0	32	81.85
APRIL	113.85	0	0	113.85	113.85	0
MAY	113.85	0	0	113.85	113.85	0
JUNE	113.85	0	0	113.85	113.85	0
JULY	113.85	0	0	113.85	113.85	0
AUGUST	113.85	0	0	113.85	113.85	0
SEPTEMBER	113.85	0	0	113.85	113.85	0
OCTOBER	153.85	8	0	113.85	121.85	32
NOVEMBER	111.85	8	32	0	40	71.85
DECEMBER	111.85	8	32	0	40	71.85
Total AUMs	1398.2	40	160	796.95	996.95	401.25

TABLE 4. Alfalfa establishment, flood-irrigated, budgeted per acre costs and returns for a 200 acre farm with above average management, Eastern Slope, 2004.  
Planting dates: August 15 - October 1

ITEM	PRICE	QUANTITY	PURCHASED INPUTS					TOTAL
<u>PURCHASED INPUTS</u>								
ALFALFA SEED	2.95	20 LBS		59				59
NITROGEN (N)	0.29	16 LBS		4.64				4.64
PHOSPHATE (P2O5)	0.2	20 LBS		4				4
CANAL WATER		12 AC. IN.						
OAT SEED	0.28	60 LBS		16.8				16.8
SUBTOTAL				84.44				84.44
<u>PREHARVEST OPERATIONS</u>								
	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
DISC	40 HP	0.63 HR		3.2445	2.544696	1.4553	13.072969	20.31746492
PLOW	40 HP	1.31 HR		6.7465	5.291352	3.91428	15.576324	31.52845597
DISC (1X)	40 HP	0.53 HR		2.7295	0	0.19875	6.3018715	9.23012153
FLOAT	40 HP	0.32		1.648	0	0.6192	0	
BORDER DISC	40 HP	0.05 HR		0.2575	0.20196	0.06525	15.250797	15.77550667
DRILL	CUSTOM		12.73	0	0	0	0	12.73
IRRIGATE (2X)		2.25 HR		11.5875				11.5875
CORRUGATE	40 HP	0.54 HR		2.781	2.181168	1.2474	2.037362	8.246929969
SUBTOTAL		5.63 HR	12.73	28.99	10.22	7.50	52.24	111.68
<u>OVERHEAD EXPENSES</u>								
DOWNTIME		2.105 HR		10.84075				10.84075
EMPLOYEE BENEFITS				3.47934				3.47934
INSURANCE			0.57989					0.57989
SUPERVISION AND MANAGEMENT				17.39862253				17.39862253
SUBTOTAL		2.11 HR	0.58	31.72				32.30
<u>TOTAL OPERATING EXPENSES</u>		7.74 HR	97.75	60.71	10.22	7.50	52.24	228.42

TABLE 5. Alfalfa hay, flood-irrigated, budgeted per acre costs and returns for a 200 acre farm with above average management, Eastern Slope, 2004.  
Harvest dates: June 10 - October 15

ITEM	PRICE	YIELD						TOTAL
<b>GROSS RETURNS</b>								
ALFALFA HAY	140	2.5 TONS (STACKED)						350
GRAZING	10	1 AUM						10
<b>TOTAL</b>							<b>360.00</b>	
<b>PURCHASED INPUTS</b>								
PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS				FIXED COST	TOTAL
NITROGEN (N)	0.29	40 LBS	11.6					11.6
PHOSPHATE (P2O5)	0.2	30 LBS	6					6
INSECTICIDE (CUSTOM)	0	0 ACRE	0					0
WIRE	0.39	21.425 LBS	8.35575					8.35575
ESTABLISHMENT: Principal		6 YEARS					38.070297	38.07029693
: Interest							8.7472335	8.747233476
CANAL WATER		36 AC. IN.					4	4
<b>SUBTOTAL</b>			<b>25.96</b>				<b>50.82</b>	<b>76.77</b>
<b>PREHARVEST OPERATIONS</b>								
PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
CLEAN DITCHES	CUSTOM		10					
IRRIGATE (6X)		2.25 HR		11.5875				11.5875
FERTILIZE	40HP	0.05 X/ACRE		0.2575	0.20196	0.01875	0.1018681	0.580078098
<b>SUBTOTAL</b>		2.3 HR	10	11.845	0.20196	0.01875	0.1018681	22.1675781
<b>HARVEST OPERATIONS</b>								
MOWER	CUSTOM		30					30
BALER	CUSTOM		4.15					4.15
RAKE	CUSTOM		104					104
LOAD AND STACK	CUSTOM		78.4					78.4
<b>SUBTOTAL</b>			<b>216.55</b>					<b>216.55</b>
<b>OVERHEAD EXPENSES</b>								
DOWNTIME				0				0
EMPLOYEE BENEFITS				1.4214				1.4214
INSURANCE			0.2369					0.2369
LAND TAXES							1.9120887	1.9120887
SUPERVISION AND MANAGEMENT				27.45				27.45
OTHER EXPENSES			22.016					22.016
<b>SUBTOTAL</b>			<b>22.25</b>	<b>28.87</b>			<b>1.91</b>	<b>53.04</b>
<b>TOTAL OPERATING EXPENSES</b>		<b>2.25 HR</b>	<b>320.91</b>	<b>40.72</b>	<b>0.20</b>	<b>0.02</b>	<b>52.83</b>	<b>368.53</b>
<b>NET OPERATING PROFIT</b>							<b>-8.527247207</b>	
INTEREST ON OPERATING CAPITAL	(	12.977875	@	0.08			1.03823	
INTEREST ON EQUIPMENT INVESTMENT							2.274003369	
<b>RETURN TO LAND AND RISK</b>							<b>-11.83948058</b>	
<b>BUDGET SUMMARY</b>								
GROSS RETURN			360					
VARIABLE OPERATING EXPENSES	321.12646							
RETURN OVER VARIABLE EXPENSES	38.87354		(GROSS MARGIN)					
FIXED EXPENSES	52.83148721							
NET FARM INCOME	-13.957947		(RETURN TO CAPITAL, LABOR, LAND & RISK)					
LABOR AND MANAGEMENT COST	40.7164							
NET OPERATING PROFIT	-54.674347		(RETURN TO CAPITAL, LAND & RISK)					
CAPITAL COSTS	3.312233369							
RETURN TO LAND AND RISK	-57.986581							

TABLE 6. Grass hay establishment, flood-irrigated, budgeted per acre costs and returns for a 200 acre farm with above average management, Eastern Slope, 2004.  
Planting dates: August 15 - October 1

ITEM	PRICE	QUANTITY	PURCHASED INPUTS					TOTAL
<b>PURCHASED INPUTS</b>								
FESCUE SEED	2.85	17 LBS		48.45				48.45
PHOSPHATE	0.2	30 LBS		6				6
NITROGEN	0.29	70 LBS		20.3				20.3
CANAL WATER		18 AC. IN.						
TIMOTHY SEED	1.32	15		19.8				19.8
SUBTOTAL				94.55				94.55
<b>PREHARVEST OPERATIONS</b>								
	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
DISC	40 HP	1.06 HR		5.459	4.281552	2.4486	21.995789	34.18494098
PLOW	40 HP	1.31 HR		6.7465	5.291352	3.91428	34.246044	50.19817618
FERTILIZE	40 HP	0.05 HR		0.2575	0.20196	0.1155	1.0375372	1.612497216
FLOAT	40 HP	0.32 HR		1.648	1.292544	0.12	0.6519558	3.71249983
BORDER DISC	40 HP	0.1 HR		0.515	0.40392	0.1305	30.501593	31.55101334
DRILL	CUSTOM		13.67					13.67
IRRIGATE (3X)		2.25 HR		11.5875				11.5875
CORRUGATE		0.54		2.781	2.181168	0.2025	1.1001755	6.264843463
SUBTOTAL		5.63 HR	13.67	28.9945	13.652496	6.93138	89.533095	152.781471
<b>OVERHEAD EXPENSES</b>								
DOWNTIME		0.71 HR		3.6565				3.6565
EMPLOYEE BENEFITS				7.248625				7.248625
INSURANCE			0.57989					0.57989
SUPERVISION AND MANAGEMENT				20.98320297				20.98320297
SUBTOTAL		0.71 HR	0.58	31.89				32.47
<b>TOTAL OPERATING EXPENSES</b>		<b>6.34 HR</b>	<b>108.80</b>	<b>60.88</b>	<b>13.65</b>	<b>6.93</b>	<b>89.53</b>	<b>279.80</b>

TABLE 7. Grass hay pasture, flood-irrigated, budgeted per acre costs and returns for a 200 acre farm with above average management, Eastern Slope, 2004.  
Harvest dates: May 1 - November 30

ITEM	PRICE	YIELD						TOTAL
<b>GROSS RETURNS</b>								
GRASS HAY	10	2 TONS						20
PASTURE	10	1 AUMS						10
TOTAL							30	
<b>PURCHASED INPUTS</b>								
	PRICE	QUANTITY	PURCHASED INPUTS				FIXED COST	TOTAL
PHOSPHATE	0.20	34	6.80					6.80
NITROGEN	0.29	70 LBS	20.3					20.3
ESTABLISHMENT: Principal		20 YEARS					13.989984	13.98998445
: Interest							9.8657432	9.865743163
CANAL WATER		36 AC. IN.					4	4
SUBTOTAL			27.10				27.86	54.96
<b>PREHARVEST OPERATIONS</b>								
	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 HR		25.75				25.75
CLEAN DITCHES	CUSTOM		5					5
SUBTOTAL	5.00 HR		5.00	26.01	0.20	0.02	0.10	31.33
<b>HARVEST OPERATIONS</b>								
MOWER	CUSTOM		30					30
BALER	CUSTOM		4.15					4.15
RAKE	CUSTOM		104					104
LOAD AND STACK	CUSTOM		78.4					78.4
OVERHEAD EXPENSES			216.55					216.55
DOWNTIME				0				0
EMPLOYEE BENEFITS				3.1209				3.1209
INSURANCE			0.52015					0.52015
LAND TAXES								1.9120887
SUPERVISION AND MANAGEMENT				4.6				4.6
OTHER EXPENSES			22.016					22.016
SUBTOTAL			22.54	7.72				1.91
TOTAL OPERATING EXPENSES	5.00 HR		271.19	33.73	0.20	0.02	29.87	389.64
NET OPERATING PROFIT								-359.6410944
INTEREST ON OPERATING CAPITAL	(	54.9557276	@	0.08				2.713229104
INTEREST ON EQUIPMENT INVESTMENT								2.713229104
RETURN TO LAND AND RISK								-365.0675526

BUDGET SUMMARY

GROSS RETURN		30	
VARIABLE OPERATING EXPENSES	271.40686		
RETURN OVER VARIABLE EXPENSES	-241.40686		(GROSS MARGIN)
FIXED EXPENSES	29.86968441		
NET FARM INCOME	-271.27654		(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	33.7284		
NET OPERATING PROFIT	-305.00494		(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	5.426458209		
RETURN TO LAND AND RISK	-310.4314		

TABLE 8. Grass hay establishment, flood irrigated, budgeted per acre costs and returns for a 200 acre part-time farm, with above average management, Eastern Slope, 2002.  
Planting dates: May 15 - July 1

ITEM	PRICE	QUANTITY	PURCHASED INPUTS					TOTAL
<u>PURCHASED INPUTS</u>								
GRASS HAY SEED	0.36	15 LBS		5.4				5.4
NITROGEN (N)	0.29	70 LBS		20.3				20.3
PHOSPHATE (P205)	0.2	35 LBS		7				7
CANAL WATER (MAINTENANCE)		18 AC. IN.						0
SUBTOTAL				32.70				32.70
<u>PREHARVEST OPERATIONS</u>								
	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & OIL	REPAIRS	FIXED COST	TOTAL
PLOW	40 HP	1.31 HR		6.7465	5.291352	3.91428	34.246044	50.19817618
DISC (2X)	40 HP	0.62 HR		3.193	2.504304	1.4322	12.865461	19.99496548
FERTILIZE	40 HP	0.05 HR		0.2575	0.20196	0.01875	0.1018681	0.580078098
DRAG	40 HP	0.32 HR		1.648	1.292544	0.12	0.6519558	3.71249983
BROADCAST SEEDER	40 HP	0.05 HR		0.2575	0.20196	0.01875	0.1018681	0.580078098
IRRIGATE (3X)		2.25 HR		11.5875				11.5875
SUBTOTAL		4.60 HR		23.69	9.49	5.50	47.97	86.65
<u>OVERHEAD EXPENSES</u>								
DOWNTIME		1.805 HR		9.29575				9.29575
EMPLOYEE BENEFITS				2.8428				2.8428
INSURANCE			0.4738					0.4738
LAND TAXES						1.9120887		1.9120887
SUPERVISION AND MANAGEMENT				123.9032977				123.9032977
OTHER EXPENSES			22.016					22.016
SUBTOTAL		1.81 HR	22.49	136.04			1.91	160.44
TOTAL OPERATING EXPENSES		6.41 HR	55.19	159.73	9.49	5.50	49.88	279.80



TABLE 9. Grass Hay, flood-irrigated, budgeted per acre costs and returns for a 200 acre farm with above average management, Eastern Slope, 2002.  
Harvest dates: August 15 - September 30

ITEM	PRICE	YIELD						TOTAL	
<b>GROSS RETURNS</b>									
GRASS HAY	130	2.5 TONS (STACKED)						325	
GRAZING	10	1 ACRE						10	
<b>TOTAL</b>							<b>335.00</b>		
<b>PURCHASED INPUTS</b>									
PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS				FIXED COST	TOTAL	
SEED	0.34	70 LBS	23.8					23.8	
PHOSPHATE	0.2	35 LBS	7					7	
NITROGEN	0.29	70 ACRE	20.3					20.3	
WIRE	0.39	21.425 LBS	8.35575					8.35575	
CANAL WATER		30 AC. IN.					25	25	
<b>SUBTOTAL</b>			<b>59.46</b>				<b>25.00</b>	<b>84.46</b>	
<b>PREHARVEST OPERATIONS</b>									
	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL	
FERTILIZE	40HP	0.05		0.2575	0.101868098	0.2325181	1.3071009	1.89898712	
IRRIGATE (5X)		3.75 HR		19.3125	0	0	0	19.3125	
CLEAN DITCHES	CUSTOM		5					5	
<b>SUBTOTAL</b>			<b>3.80 HR</b>	<b>5.00</b>	<b>19.57</b>	<b>0.10</b>	<b>0.23</b>	<b>1.31</b>	<b>26.21</b>
<b>HARVEST OPERATIONS</b>									
SWATHER	CUSTOM		30					30	
BALER (2X)	CUSTOM		4.15					4.15	
BALEWAGON (2X)	CUSTOM		104					104	
<b>SUBTOTAL</b>			<b>0.00 HR</b>	<b>138.15</b>				<b>138.15</b>	
<b>OVERHEAD EXPENSES</b>									
DOWNTIME		0 HR		0				0	
EMPLOYEE BENEFITS				2.3484				2.3484	
INSURANCE			0.3914					0.3914	
LAND TAXES								1.9120887	
SUPERVISION AND MANAGEMENT				17.57				17.57	
OTHER EXPENSES			22.016					22.016	
<b>SUBTOTAL</b>			<b>0.00 HR</b>	<b>22.41</b>	<b>19.92</b>			<b>1.91</b>	<b>44.24</b>
<b>TOTAL OPERATING EXPENSES</b>			<b>3.80 HR</b>	<b>225.01</b>	<b>39.49</b>	<b>0.10</b>	<b>0.23</b>	<b>28.22</b>	<b>293.06</b>
<b>NET OPERATING PROFIT</b>							<b>41.94487418</b>		
INTEREST ON OPERATING CAPITAL	(	29.8114715	@	0.08				2.384917724	
INTEREST ON EQUIPMENT INVESTMENT							23.33067839		
<b>RETURN TO LAND AND RISK</b>							<b>16.22927807</b>		

**BUDGET SUMMARY**

GROSS RETURN		335	
VARIABLE OPERATING EXPENSES	225.3475362		
RETURN OVER VARIABLE EXPENSES	109.652464		(GROSS MARGIN)
FIXED EXPENSES	28.21918962		
NET FARM INCOME	81.4332742		(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	39.4884		
NET OPERATING PROFIT	41.9448742		(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	25.71559611		
RETURN TO LAND AND RISK	16.2292781		

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

	ALFALFA ESTABLISHMENT	ALFALFA HAY	GRASS HAY EST.	GRASS 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	20.3
CHEMICALS		0		
CROP INSURANCE				
OTHER PURCHASED INPUTS		8.35575		
CANAL WATER		4		4
FUEL, OIL & LUBRICANTS-EQUIPMENT	10.219176	0.20196	13.652496	0.20196
FUEL-IRRIGATION				
REPAIRS	7.50018	0.01875	6.93138	0.01875
CUSTOM CHARGES	12.73	216.55		
LAND TAXES		1.9120887		1.9120887
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	-98.669246	89.108551	-89.913766	-359.641094
FIXED EXPENSES	52.2393231	46.919399	89.533095	23.95759571
TOTAL EXPENSES	150.908569	317.81085	179.446861	413.5986901
NET FARM INCOME	-150.90857	42.189153	-179.44686	-383.59869
LABOR AND MANAGEMENT COSTS	60.7132125	40.7164	60.882828	33.7284
NET OPERATING PROFIT	-211.62178	1.4727528	-240.32969	-417.32709
CAPITAL COSTS				
INTEREST ON OPERATING CAPITAL		1.03823		2.713229104
INTEREST ON EQUIPMENT INVESTMENT		2.2740034		2.713229104
TOTAL CAPITAL COSTS	0.00	3.31	0.00	5.43
RETURN TO LAND AND RISK	-211.62178	-1.839481	-240.32969	16.22927807

TABLE 11. Whole farm budget summary, Eastern Slope, 2004.

GROSS RETURNS		
ALFALFA HAY	40 ACRES	
CROP		14000
GRAZING		400
GRASS HAY	160 ACRES	
CROP		52000
GRAZING		1600
SUDAN HAY (AOH)	0 ACRES	
CROP		0
GRAZING		0
	0 ACRES	
		0
		0
LIVESTOCK		46956.4
GROSS RETURN		<u>114,956</u>
CASH OPERATING EXPENSES		
FORAGE		3075.8825
LIVESTOCK FEED		25034.564
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		382.41774
OTHER EXPENSES		4504.5984
TOTAL CASH EXPENSES		<u>48,191</u>
RETURN OVER CASH EXPENSES		66765.269
FIXED EXPENSES		3030.7219
TOTAL EXPENSES		51221.853
NET FARM INCOME		63734.547
LABOR AND MANAGEMENT COSTS		7937.2551
NET OPERATING PROFIT		55797.292
CAPITAL COSTS		
INTEREST ON OPERATING CAPITAL		475.64586
INTEREST ON EQUIPMENT INVESTMENT		525.07679
TOTAL CAPITAL COSTS		<u>1,001</u>
RETURN TO LAND AND RISK		<u>54796.569</u>

LAND VALUE	RETURN TO RISK*	RETURN ON INVESTMENT**
1,000 /ACRE	46796.569	0.2678056
2,000 /ACRE	38796.569	0.1366409
3,000 /ACRE	30796.569	0.0917191
4,000 /ACRE	22796.569	0.0690262
5,000 /ACRE	14796.569	0.0553352
6,000 /ACRE	6796.5694	0.0461764
7,000 /ACRE	-1203.431	0.0396189

\* 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)