

TABLE 1. Acreage Summary, Lincoln County,
Projected 2007.

BUDGET AREA.....	HONDO VALLEY, LINCOLN COUNTY		
FARM SIZE.....	35 ACRES		
IRRIGATION TYPE.....	FLOOD		
NUMBER OF CROPS....	4		
	WATER USE		
ACREAGE SUMMARY:	LAND USE (ACRES)	AC.IN. PER AC.	TOTAL AC.IN.
ALFALFA ESTABLISHMENT	2.00 *	12	24
ALFALFA HAY	10.00	36	360
PASTURE ESTABLISHMENT	2.00 *	12	24
PERMANENT PASTURE	20.00	30	600
ROADS, DITCHES, HOMESTEAD	5.00		
	TO		1,008
	ACRE FEET PER ACRE OF WATER RIGHT		2.40

*DOUBLE-CROPPED

TABLE 2. Basic cost information for Lincoln County,
Projected 2007.

Item			
Labor Wage Rate:			
Equipment operators		\$/hour	\$6.65
General & Irrigators		\$/hour	\$6.35
Purchased Inputs:			
Fertilizer:			
Nitrogen (N)		\$/pound	\$0.52
Phosphorus (P205)		\$/pound	\$0.40
Seed:			
Alfalfa		\$/pound	\$3.05
Pasture		\$/pound	\$3.50
Natural Gas		\$/MCF	\$3.25
Diesel fuel		\$/gallon	\$2.70
Gasoline		\$/gallon	\$2.45
Electricity		cents/kwhr	9.91
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	8.00%
Equipment Interest Rate		percent	8.00%
Expected Inflation Rate		percent	3.00%
Land Taxes		\$175.00 /acre (full value)	\$1.42
Personal Property Tax Rate	- NR - R	\$/1,000 (Assessed Value)	\$24.38 \$19.79
Supervision Factors			
Field Crop-Irrigation		\$/acre	\$1.00
Field Crop-Equipment & General		\$/acre	\$0.50
Management Rate		percent	4.00%

TABLE 3. Overhead cost information for Lincoln County,
Projected 2007.

Item			
Electricity (Domestic & Shop)		\$49.05 per month	\$589
Telephone		\$38.15 per month	\$458
Accounting & Legal			\$120
Misc. Supplies & Hand Tools			\$229
Pickup and Auto			
miles	4,491	@ \$0.415 per mile	\$1,864
Insurance			
- general liability (non-employee)			\$158
- fire/theft			\$131
Property Taxes			
- non-planted land			\$0
- other than land & machinery			\$6,010
Building repairs and maintenance			\$191
Dues, fees, publications			\$98
Farmstead Equipment			\$158
		Total	\$10,005
		Total per planted acre	\$333.49

TABLE 4 Pumping costs and data for irrigation wells, Lincoln County
Projected 2007

WELL DATA		DEPTH CHARACTERISTICS	
DELIVERY PIP SPRINKLER	0	STATIC	50
		DRAWDOWN	25
		TOTAL HEAD	75
		CASING	100
GALLONS PER MINUTE (GPM)	400		
WORK HORSEPOWER	6		
EFFICIENCY FACTOR:			
ELECTRICITY	0.447		
NATURAL GAS	0.123		
DIESEL	0.188		
FUEL COST PER HOUR:		9.31 CENTS/KWH	
ELECTRICITY			
NATURAL GAS	\$3.25	\$/GAL	
DIESEL	\$2.70	\$/GAL	
PUMPING COSTS			
ELECTRICAL WELL			
COST PER HOUR	\$1.28		
COST PER ACRE INCH	\$1.45		
NATURAL GAS WELL			
COST PER HOUR	\$0.58		
COST PER ACRE INCH	\$0.66		
BUTANE WELL			
COST PER HOUR	\$0.78		
COST PER ACRE INCH	\$0.89		
DIESEL WELL			
COST PER HOUR	\$1.86		
COST PER ACRE INCH	\$2.11		

TABLE 5 Equipment summary for a 20 acre part-time farm, Hondo Valley, Lincoln County
Projected 2007

EQUIPMENT	ANNUAL HOURS OF USE	NUMBER	TOTAL VALUE	VARIABLE COSTS				FIXED COSTS		TOTAL PER HR	
				FUEL OIL LUBRICANT	REPAIR PER HR	FUEL OIL PER HR	REPAIR PER HR	DEPRECIATION	TAXES		
TRACTOR	20 HP	100	1	\$7,000	\$913	\$9.18	\$1.08	\$380	\$75	\$4.34	
BALER, PTO	2 WPRE	15	1	\$1,800	\$2	\$0.15	\$0.15	\$85	\$31	\$2.75	
HARROW	8 FT	1	1	\$300	\$2	\$0.21	\$0.21	\$37	\$2	\$2.58	
FLOAT	8 FT	2	1	\$400	\$5	\$0.21	\$0.21	\$40	\$2	\$1.68	
DISC	8 FT	1	1	\$600	\$7	\$0.74	\$0.74	\$80	\$6	\$6.84	
FERT. SPREADER	8 FT	10	1	\$2,300	\$9	\$0.42	\$0.42	\$307	\$19	\$11.50	
RAGE	8 FT	10	1	\$1,000	\$7	\$0.43	\$0.43	\$150	\$11	\$11.17	
DRILL	8 FT	1	1	\$1,000	\$1	\$0.48	\$0.48	\$80	\$8	\$7.44	
MOWER	7 FT	20	1	\$1,300	\$2	\$0.36	\$0.36	\$130	\$11	\$8.60	
WELL ELECTRIC		204	1	\$8,000	\$281	\$0	\$1.28	\$0	\$90	\$95	\$1.46
				\$42,019	\$1,174	\$144		\$2,203	\$228		

EQUIPMENT LIST

ITEM	NEW VALUE	USED VALUE	YEARS LIFE	EQUIP CODE	MAX HOURS	FUEL LUBE COEF	ACCOM HOURS	INTEREST EXPENSE
TRACTOR 20 HP	7,000	1,900	30	1	800	3.40	0.10	1844.00
BALER/PTO 2 WPRE	1,800	200	2	2	300	0.15	0.15	75.00
HARROW 8 FT	300	300	15	4	300	0.21	0.21	18.20
FLOAT 8 FT	400	400	15	4	300	0.21	0.21	36.00
DISC 8 FT	2,300	600	15	3	300	0.74	0.74	153.00
FERT. SPREADER	4,600	2,300	15	9	150	0.42	0.42	153.00
RAGE 8 FT	3,200	1,500	20	6	300	0.43	0.43	225.00
DRILL 8 FT	2,000	1,000	25	8	100	0.48	0.48	15.00
MOWER 7 FT	2,600	1,300	20	6	300	0.36	0.36	450.00
WELL ELECTRIC	16,000	8,000	25	0	8,742			305.05

INTEREST PROPORTION

ALFALFA	ANNUAL	PERMANENT PASTURE
86.31	2.11	
20.80	0.00	
0.00	0.00	
0.00	0.00	
0.00	0.00	
5.41	5.41	
12.40	0.00	
0.00	0.00	
10.40	0.00	
21.33	21.33	
136.65	28.91	

USAGE LIST

ITEM	ANNUAL EST.		PASTURE EST.		ANNUAL PER ACRE TOTAL
	EST.	EST.	EST.	EST.	
	---hours per acre---				
TRACTOR 20 HP	3.80	7.80	3.00	0.30	15.90
BALER/PTO 2 WPRE	1.00	1.00	0.00	0.00	2.00
HARROW 8 FT	0.16	0.00	0.30	0.00	0.46
FLOAT 8 FT	0.60	0.00	0.60	0.00	1.20
DISC 8 FT	2.40	0.00	2.40	0.00	4.80
FERT. SPREADER	0.30	0.30	0.30	0.30	1.20
RAGE 8 FT	0.00	1.00	0.00	0.00	1.00
DRILL 8 FT	0.30	0.00	0.30	0.00	0.60
MOWER 7 FT	0.00	3.00	0.00	0.00	3.00
WELL ELECTRIC	0.00	6.79	0.00	6.79	13.58

ALFALFA ESTABLISHMENT

MACHINE	POWER UNIT	TIMES OVER	ACCOMPLISHMENT		CUSTOM
			RATE	TOTAL	
DISC (X)	30 HP	2.00	1.20	2.40	
HARROW	30 HP	1.00	0.30	0.30	
FERT. SPREADER	30 HP	1	0.30	0.30	
DRILL	30 HP	1.00	0.30	0.30	
IRRIGATE (X)	2	1.50	3.00		

ALFALFA HAY

MACHINE	POWER UNIT	TIMES OVER	ACCOMPLISHMENT		CUSTOM
			RATE	TOTAL	
FERT. SPREADER	30 HP	1	0.30	0.30	
DISC MAINTENANCE		1	0.25	0.25	
IRRIGATE (X)	6	1.13	6.79		
MOWER (X)	30 HP	3	1.50	3.00	
RAGE (X)	30 HP	3	0.90	1.80	
BALER, PTO (X)	30 HP	3	0.90	1.80	
MOWER	30 HP	3	0.90	1.80	

PERMANENT PASTURE EST.

MACHINE	POWER UNIT	TIMES OVER	ACCOMPLISHMENT		CUSTOM
			RATE	TOTAL	
DISC (X)	30 HP	2	1.20	2.40	
HARROW	30 HP	1	0.30	0.30	
FERT. SPREADER	30 HP	1	0.30	0.30	
FLOAT	30 HP	1	0.60	0.60	
DRILL	30 HP	1	0.30	0.30	
IRRIGATE (X)	2	1.50	3.00		

ANNUAL PERMANENT PASTURE

MACHINE	POWER UNIT	TIMES OVER	ACCOMPLISHMENT		CUSTOM
			RATE	TOTAL	
FERT. SPREADER	30 HP	1	0.30	0.30	
DISC MAINTENANCE		1	0.25	0.25	
IRRIGATE (X)	5	1.13	6.79		

ANNUAL REPAIR COSTS AS A PERCENT OF NEW VALUE

Years of Use	1	2	3	4	5	6	7	8	9
0	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000	0.000000
50	0.000040	0.000020	0.000020	0.000020	0.000020	0.000040	0.000040	0.000040	0.000020
100	0.000080	0.000040	0.000040	0.000040	0.000040	0.000080	0.000080	0.000080	0.000040
200	0.000160	0.000080	0.000080	0.000080	0.000080	0.000160	0.000160	0.000160	0.000080
300	0.000240	0.000120	0.000120	0.000120	0.000120	0.000240	0.000240	0.000240	0.000120
400	0.000320	0.000160	0.000160	0.000160	0.000160	0.000320	0.000320	0.000320	0.000160
500	0.000400	0.000200	0.000200	0.000200	0.000200	0.000400	0.000400	0.000400	0.000200
600	0.000480	0.000240	0.000240	0.000240	0.000240	0.000480	0.000480	0.000480	0.000240
700	0.000560	0.000280	0.000280	0.000280	0.000280	0.000560	0.000560	0.000560	0.000280
800	0.000640	0.000320	0.000320	0.000320	0.000320	0.000640	0.000640	0.000640	0.000320
900	0.000720	0.000360	0.000360	0.000360	0.000360	0.000720	0.000720	0.000720	0.000360
1000	0.000800	0.000400	0.000400	0.000400	0.000400	0.000800	0.000800	0.000800	0.000400
1200	0.000960	0.000480	0.000480	0.000480	0.000480	0.000960	0.000960	0.000960	0.000480
1400	0.001120	0.000560	0.000560	0.000560	0.000560	0.001120	0.001120	0.001120	0.000560
1600	0.001280	0.000640	0.000640	0.000640	0.000640	0.001280	0.001280	0.001280	0.000640
1800	0.001440	0.000720	0.000720	0.000720	0.000720	0.001440	0.001440	0.001440	0.000720
2000	0.001600	0.000800	0.000800	0.000800	0.000800	0.001600	0.001600	0.001600	0.000800
3000	0.002400	0.001200	0.001200	0.001200	0.001200	0.002400	0.002400	0.002400	0.001200
4000	0.003200	0.001600	0.001600	0.001600	0.001600	0.003200	0.003200	0.003200	0.001600
5000	0.004000	0.002000	0.002000	0.002000	0.002000	0.004000	0.004000	0.004000	0.002000
6000	0.004800	0.002400	0.002400	0.002400	0.002400	0.004800	0.004800	0.004800	0.002400
7000	0.005600	0.002800	0.002800	0.002800	0.002800	0.005600	0.005600	0.005600	0.002800
8000	0.006400	0.003200	0.003200	0.003200	0.003200	0.006400	0.006400	0.006400	0.003200

* Based on unpublished data of D. R. Hunt, Department of Agriculture Engineering, University of Illinois.

** Based on "Agricultural Machinery Data" in Agriculture Engineers Yearbook, 1963.

- Codes
- 1 tractors
 - 2 balers, combines, forage harvesters, windrowers, pickups
 - 3 rotary law, disks, moldboard plows, chisels, field cultivators, row cultivators, weeder plows
 - 4 harrows, weathers, flails, ribb back, drag, roller, water furrows, bed shapers
 - 5 implements, roller, roller plows, roller tillage, corn planters
 - 6 corn heads, forage equipment, rotary mowers, stalk choppers, feed wagons, farm trucks
 - 7 mowers, roller-bar mowers
 - 8 planters, drills, seeding equipment, mounted sprayers
 - 9 fertilizer distributing equipment

TABLE 6. Alfalfa establishment, flood-irrigated, budgeted per acre costs and returns for a 35 acre part-time farm, Hondo Valley, Lincoln County
 Projected 2007.
 Planting dates: August 15 - October 1

ITEM	PRICE	QUANTITY	PURCHASED INPUTS					TOTAL
PURCHASED INPUTS								
ALFALFA SEED	\$3.05	20 LBS		\$61.00				\$61.00
PHOSPHORUS (P2O5)	\$0.40	50 LBS		\$20.00				\$20.00
CANAL WATER		12 AC. IN.						
SUBTOTAL				\$81.00				\$81.00
PREHARVEST OPERATIONS								
	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
DISC (2X)	30 HP	2.40 HR		\$15.96	\$21.99	\$4.37	\$31.64	\$73.97
HARROW	30 HP	0.30 HR		\$2.00	\$2.75	\$0.33	\$8.38	\$13.45
FLOAT	30 HP	0.60 HR		\$3.99	\$5.50	\$0.65	\$13.22	\$23.36
FERT. SPREADER	30 HP	0.30 HR		\$2.00	\$2.75	\$0.60	\$10.87	\$16.22
DRILL	30 HP	0.30 HR		\$2.00	\$2.75	\$0.47	\$23.33	\$28.55
IRRIGATE (2X)		1.00 HR		\$6.35				\$6.35
SUBTOTAL		4.90 HR		\$32.29	\$35.74	\$6.42	\$87.44	\$161.88
OVERHEAD EXPENSES								
DOWNTIME		0.98 HR		\$6.48				\$6.48
EMPLOYEE BENEFITS				\$3.87				\$3.87
FARM INSURANCE			\$0.39					\$0.39
SUPERVISION AND MANAGEMENT				\$12.67				\$12.67
SUBTOTAL		0.98 HR	\$0.39	\$23.02				\$23.41
TOTAL OPERATING EXPENSES		5.88 HR	\$81.39	\$55.31	\$35.74	\$6.42	\$87.44	\$266.29

TABLE 8. Permanent pasture establishment, flood-irrigated, budgeted per acre costs and returns for a 35 acre part-time farm, Hondo Valley, Lincoln Count
Projected 2007.

Planting dates: August 15 - September 15

ITEM	PRICE	QUANTITY	PURCHASED INPUTS					TOTAL
<u>PURCHASED INPUTS</u>								
PASTURE SEED	\$3.50	20.00 LBS		\$70.00				\$70.00
NITROGEN (N)	\$0.52	50 LBS		\$26.00				\$26.00
PHOSPHORUS (P2O5)	\$0.40	20 LBS		\$8.00				\$8.00
CANAL WATER		12.00 AC. IN.						
SUBTOTAL				\$104.00				\$104.00
<u>PREHARVEST OPERATIONS</u>								
	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
DISC (2X)	30 HP	2.40 HR		\$15.96	\$21.99	\$4.37	\$31.64	\$73.97
HARROW	30 HP	0.30 HR		\$2.00	\$2.75	\$0.33	\$8.38	\$13.45
FERT. SPREADER	30 HP	0.30 HR		\$2.00	\$2.75	\$0.60	\$10.87	\$16.22
FLOAT	30 HP	0.60 HR		\$3.99	\$5.50	\$0.65	\$13.22	\$23.36
DRILL	30 HP	0.30 HR		\$2.00	\$2.75	\$0.47	\$23.33	\$28.55
IRRIGATE (3X)		1.00 HR		\$6.35				\$6.35
SUBTOTAL		4.90 HR		\$32.29	\$35.74	\$6.42	\$87.44	\$161.88
<u>OVERHEAD EXPENSES</u>								
DOWNTIME		0.98 HR		\$6.48				\$6.48
EMPLOYEE BENEFITS				\$3.87				\$3.87
FARM INSURANCE			\$0.39					\$0.39
SUPERVISION AND MANAGEMENT				\$13.59				\$13.59
OTHER EXPENSES			\$333.49					\$333.49
SUBTOTAL		0.98 HR	\$333.88	\$23.94				\$357.82
<u>TOTAL OPERATING EXPENSES</u>		5.88 HR	\$437.88	\$56.23	\$35.74	\$6.42	\$87.44	\$623.70

TABLE 9. Permanent pasture, flood-irrigated, budgeted per acre costs and returns for a 35 acre part-time farm, Hondo Valley, Lincoln County
Projected 2007.

Harvesting dates: March 1 - September 30										
ITEM	PRICE	YIELD								TOTAL
GROSS RETURNS										
PASTURE	\$12.00	10.00 AUMS								\$120.00
TOTAL									\$120.00	
PURCHASED INPUTS										
	PRICE	QUANTITY	PURCHASED INPUTS				FIXED COST	TOTAL		
NITROGEN (N)	\$0.52	50 LBS	\$26.00					\$26.00		
PHOSPHORUS (P2O5)	\$0.40	20 LBS	\$8.00					\$8.00		
LIVESTOCK FAC & EQUIP ESTABLISHMENT: Principal		10 YEARS					\$12.00	\$12.00		
: Interest							\$62.37	\$62.37		
CANAL WATER		24 AC. IN.					\$26.29	\$26.29		
PUMP WATER*		6 AC. IN.								
SUBTOTAL			\$34.00				\$100.66	\$134.66		
PREHARVEST OPERATIONS										
	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL		
FERT. SPREADER	30 HP	0.30 HR		\$1.91	\$2.75	\$0.60	\$10.87	\$16.13		
DITCH MAINTENANCE		0.25 HR		\$1.59				\$1.59		
IRRIGATE (5X)		2.50 HR		\$15.88	\$8.72	\$0.00	\$23.50	\$48.09		
SUBTOTAL		3.05 HR		\$19.37	\$11.46	\$0.60	\$34.37	\$65.80		
OVERHEAD EXPENSES										
DOWNTIME		0.14 HR		\$0.91				\$0.91		
EMPLOYEE BENEFITS				\$2.32				\$2.32		
FARM INSURANCE			\$0.23					\$0.23		
LAND TAXES							\$1.42	\$1.42		
SUPERVISION AND MANAGEMENT				\$7.58				\$7.58		
OTHER EXPENSES			\$333.49					\$333.49		
SUBTOTAL		0.14 HR	\$333.72	\$10.81			\$1.42	\$345.96		
TOTAL OPERATING EXPENSES		3.19 HR	\$367.72	\$30.18	\$11.46	\$0.60	\$136.46	\$546.42		
NET OPERATING PROFIT									(\$426.42)	
INTEREST ON OPERATING CAPITAL		(\$200.47	@	8.00%)		\$6.70		
INTEREST ON EQUIPMENT INVESTMENT								\$28.91		
RETURN TO LAND AND RISK									(\$462.03)	

* Pump water costs are shown under irrigation in the preharvest operations section
BUDGET SUMMARY

GROSS RETURN		\$120.00	
VARIABLE OPERATING EXPENSES	\$386.49		
RETURN OVER VARIABLE EXPENSES		(\$266.49)	(GROSS MARGINS)
FIXED EXPENSES	\$136.46		
NET FARM INCOME		(\$402.94)	(RETURNS TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$30.18		
NET OPERATING PROFIT		(\$433.12)	(RETURNS TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$28.91		
RETURN TO LAND AND RISK		(\$462.03)	

TABLE 10. Summary of per acre costs and returns for a 35 acre part-time farm, Hondo Valley, Lincoln County, Projected 2007.

	ALFALFA ESTABLISHMENT	ALFALFA HAY	ANNUAL PASTURE ESTABLISHMENT	ANNUAL PASTURE
		TONS		AUMS
PRIMARY YIELD		4.00		10.00
PRIMARY PRICE		\$140.00		\$12.00
GOVERNMENT PAYMENTS		\$0.00		\$0.00
SECOND INCOME		\$15.00		\$0.00
GROSS RETURN		\$575.00		\$120.00
CASH OPERATING EXPENSES				
SEED	\$61.00		\$70.00	
FERTILIZER	\$20.00	\$46.40	\$34.00	\$34.00
CHEMICALS		\$16.00		
CROP INSURANCE				
OTHER PURCHASED INPUTS		\$19.25		
CANAL WATER				
FUEL, OIL & LUBRICANTS-EQUIPMENT	\$35.74	\$71.47	\$35.74	\$2.75
FUEL-IRRIGATION		\$8.72		\$8.72
REPAIRS	\$6.42	\$10.66	\$6.42	\$0.60
CUSTOM CHARGES				
LAND TAXES		\$1.42		\$1.42
OTHER EXPENSES	\$0.39	\$334.36	\$333.88	\$333.72
TOTAL CASH EXPENSES	\$123.54	\$508.28	\$480.03	\$381.21
RETURN OVER CASH EXPENSES	(\$123.54)	\$66.72	(\$480.03)	(\$261.21)
FIXED EXPENSES	\$87.44	\$201.67	\$87.44	\$135.03
TOTAL EXPENSES	\$210.98	\$709.95	\$567.47	\$516.24
NET FARM INCOME	(\$210.98)	(\$134.95)	(\$567.47)	(\$396.24)
LABOR AND MANAGEMENT COSTS	\$55.31	\$124.70	\$56.23	\$30.18
NET OPERATING PROFIT	(\$266.29)	(\$259.65)	(\$623.70)	(\$426.42)
CAPITAL COSTS				
INTEREST ON OPERATING CAPITAL		\$8.34		\$6.70
INTEREST ON EQUIPMENT INVESTMENT		\$136.65		\$28.91
TOTAL CAPITAL COSTS	\$0.00	\$144.99	\$0.00	\$35.61
RETURN TO LAND AND RISK	(\$266.29)	(\$404.64)	(\$623.70)	(\$462.03)

TABLE 11. Whole farm summary, Hondo Valley, Lincoln County,
Projected 2007.

GROSS RETURNS		
ALFALFA HAY	10.00 ACRES	
CROP		\$5,600
GRAZING		\$150
PASTURE	20.00 ACRES	
GRAZING		\$2,400
GROSS RETURN		\$8,150
CASH OPERATING EXPENSES		
SEED		\$262
FERTILIZER		\$1,252
CHEMICALS		\$160
CROP INSURANCE		\$0
OTHER PURCHASED INPUTS		\$193
CANAL WATER		\$0
FUEL, OIL & LUBRICANTS-EQUIPMENT		\$913
FUEL-IRRIGATION		\$261
REPAIRS		\$144
CUSTOM CHARGES		\$0
LAND TAXES		\$43
OTHER EXPENSES		\$10,687
TOTAL CASH EXPENSES		\$13,914
RETURN OVER CASH EXPENSES		(\$5,764)
FIXED EXPENSES		\$3,287
TOTAL EXPENSES		\$17,201
NET FARM INCOME		(\$9,051)
LABOR AND MANAGEMENT COSTS		\$2,074
NET OPERATING PROFIT		(\$11,125)
CAPITAL COSTS		
INTEREST ON OPERATING CAPITAL		\$217
INTEREST ON EQUIPMENT INVESTMENT		\$1,945
TOTAL CAPITAL COSTS		\$2,162
RETURN TO LAND AND RISK		(\$13,287)

LAND VALUE	RETURNS TO RISK*	RETURN ON INVESTMENT**
\$700 /ACRE	(\$14,022)	-22.93%
\$900 /ACRE	(\$14,232)	-20.04%
\$1,100 /ACRE	(\$14,442)	-17.79%
\$1,300 /ACRE	(\$14,652)	-16.00%
\$1,500 /ACRE	(\$14,862)	-14.54%
\$1,700 /ACRE	(\$15,072)	-13.32%
\$1,900 /ACRE	(\$15,282)	-12.29%
\$2,100 /ACRE	(\$15,492)	-11.41%

* 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)