

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

BUDGET AREA..... DRY CIMARRON AREA, UNION COUNTY			
FARM SIZE..... 80 ACRES			
IRRIGATION TYPE..... FLOOD			
NUMBER OF CROPS... 2			
WATER USE			
ACREAGE SUMMARY:	LAND USE (ACRES)	AC.IN. PER AC.	TOTAL AC.IN.
ALFALFA ESTABLISHMENT	4	4.5	18
ALFALFA	40	24	960
NATIVE GRASS	40	18	720
TOTAL	84		1,698
ACRE FEET PER ACRE OF WATER RIGHTS			1.68

TABLE 2. Basic cost information for Dry Cimarron area, Union County,  
Projected 2007.

Item			
<b>Labor Wage Rate:</b>			
Equipment operators		\$/hour	\$7.45
General & Irrigators		\$/hour	\$6.60
<b>Purchased Inputs:</b>			
<b>Seed:</b>			
Alfalfa		\$/pound	\$3.05
Natural gas		\$/MCF	\$3.25
Diesel fuel		\$/gallon	\$2.70
Gasoline		\$/gallon	\$2.45
Electricity		cents/KwHr	6.78
LP Gas		\$/gallon	\$1.90
Baling Wire		\$/pound	\$0.55
Employee Liability Insurance		\$/1,000 wages	\$20.00
Employee Benefits		percent/wages	18.00%
Labor Downtime		percent	25.00%
<b>Financial Rates:</b>			
Operating Capital Interest Rate		percent	8.00%
Land Interest Rate		percent	8.00%
Equipment Interest Rate		percent	8.00%
Real Interest Rate		percent	3.00%
Land Taxes		\$27.00 /acre (full value)	\$0.24
Personal Property Tax Rate	-NR - R	\$/1,000 (Assessed Value)	\$26.53 \$23.93
<b>Supervision Factors</b>			
Field Crop-Irrigation		\$/labor hour	\$1.00
Field Crop-Equipment & General		\$/labor hour	\$0.50
Management Rate		percent	7.00%

TABLE 3. Overhead cost information for the Dry Cimarron area,  
Projected 2007.

Item			
Electricity (Domestic & Shop)		\$109.00 per month	\$1,308
Telephone		\$87.20 per month	\$1,046
Accounting & Legal			\$491
Misc. Supplies & Hand Tools			\$807
Pickup and Auto			
miles	11,227	@ \$0.415 per mile	\$4,659
<b>Insurance</b>			
- general liability (non-employee)			\$1,046
- fire/theft			\$681
<b>Property Taxes</b>			
- other than land & machinery			\$6,010
Building repairs and maintenance			\$518
Dues, fees, publications			\$262
Farmstead Equipment			\$82
Total			\$16,909
Total per planted acre			\$211.37

TABLE 4 Pumping costs and data for irrigation wells, Dry Cimarron area, Union County  
Projected 2007

INPUT DATA		DEPTH CHARACTERISTICS	
GALLONS PER MINUTE (GPM)	900	STATIC	50
WORK HORSEPOWER	15	DRAWN DOWN	15
		TOTAL HEAD	65
		CAVING	75
EFFICIENCY FACTOR:			
ELECTRICITY	0.540		
NATURAL GAS	0.154		
LP GAS	0.154		
DIESEL	0.168		
FUEL COST PER UNIT:		6.78 CENTS/KWH	
ELECTRICITY			
NATURAL GAS	\$1.25 B/MCF		
LP GAS	\$1.90 \$/GAL		
DIESEL	\$2.70 \$/GAL		
FUEL PUMPING COSTS			
ELECTRIC WELL			
COST PER HOUR	\$1.41		
COST PER ACRE INCH	\$0.71		
NATURAL GAS WELL			
COST PER HOUR	\$0.90		
COST PER ACRE INCH	\$0.45		
LP GAS WELL			
COST PER HOUR	\$0.08		
COST PER ACRE INCH	\$0.05		
DIESEL WELL			
COST PER HOUR	\$4.50		
COST PER ACRE INCH	\$2.25		

TABLE 5 Equipment summary for an 80 acre part-time food irrigated farm, Dry Cimarron area, Union County  
Projected 2007

EQUIPMENT	ANNUAL HOURS OF USE	NUMBER	TOTAL VALUE	VARIABLE COSTS				FIXED COSTS		TOTAL PER HR
				FUEL OIL LUBRICANT	REPAIR	FUEL OIL PER HR	REPAIR PER HR	DEPRECIATION	TAXES	
TRACTOR	40 HP	142	1 \$7,000	\$1,439	\$164	\$10.10	\$1.08	\$280	\$70	\$3.08
MOWER		74	1 \$1,300	\$27	\$27	\$0.36		\$130	\$11	\$1.91
BALER	2 WIRE	42	1 \$1,800	\$56	\$56	\$0.15		\$800	\$24	\$9.98
RAGE		24	1 \$1,550	\$10	\$10	\$0.43		\$155	\$14	\$7.03
CHISEL (BORROWED)	2 FT	1	1 \$0	\$0	\$0	\$0.00		\$0	\$0	\$0.00
DISC (BORROWED)	12 FT	1	1 \$0	\$0	\$0	\$0.00		\$0	\$0	\$0.00
DRILL (BORROWED)	10 FT	1	1 \$0	\$0	\$0	\$0.00		\$0	\$0	\$0.00
TRUCK	2.5 TON	244	1 \$13,000	\$4,185	\$2,028	\$17.15	\$6.31	\$2,800	\$115	\$11.13
BALE LOADER		244	1 \$2,500	\$165	\$165	\$0.68		\$250	\$23	\$1.44
ELECTRIC WELL		282	1 \$11,500	\$398	\$0	\$1.41	\$0.00	\$900	\$102	\$3.63
			\$38,500	\$6,022	\$2,391			\$4,800	\$378	

EQUIPMENT LIST

ITEM	NEW VALUE	USED VALUE	YEARS LIFE	EQUIP CODE	MAX HOURS	FUEL LITERS/HR	LUBE COEF	ACCOM HOURS	INTEREST AGE	EXPENSE	
TRACTOR	40 HP	1700.00	7000.00	50.00	1.00	800.00	3.40	0.10	2100.20	15.00	710.00
MOWER		2600.00	1300.00	20.00	6.00	300.00	0.00	0.00	110.00	15.00	104.00
BALER	4000	7000.00	1800.00	20.00	2.00	500.00	0.00	0.00	178.00	18.00	208.00
RAGE		3100.00	1600.00	20.00	6.00	500.00	0.00	0.00	380.00	15.00	124.00
CHISEL (BORROWED)	2 FT	0.00	0.00	15.00	3.00	300.00	0.00	0.00	0.00	17.00	0.00
DISC (BORROWED)	12 FT	0.00	0.00	15.00	3.00	300.00	0.00	0.00	0.00	11.56	0.00
DRILL (BORROWED)	10 FT	0.00	0.00	15.00	8.00	300.00	0.00	0.00	0.00	16.00	0.00
TRUCK	2.5 TON	26000.00	13000.00	10.00	5.00	800.00	6.00	0.00	2884.00	11.00	1940.00
BALE LOADER		2500.00	2500.00	20.00	3.00	300.00	0.00	0.00	260.00	15.00	204.00
ELECTRIC WELL		23000.00	11500.00	25.00	0.00	8742.00	0.00	0.00	4224.27	15.00	920.00

USAGE LIST

ALFALFA	ALFALFA	NATIVE GRASS	PER ACRE
EST	REV	REV	TOTALS
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hours per acre			
0.00	2.10	4.40	4.12
0.00	1.11	0.74	1.85
0.00	0.43	0.42	1.50
0.00	0.38	0.24	0.60
0.25	0.00	0.00	0.25
0.17	0.00	0.00	0.17
0.25	0.00	0.00	0.25
0.00	4.50	1.80	6.10
0.00	4.5	1.8	6.10
0.00	4.02	3.02	7.04

INTEREST PROPORTION

ALFALFA HAY	NATIVE GRASS
0.13	7.06
0.00	1.54
0.00	3.08
0.00	1.24
0.00	0.00
0.00	0.80
0.00	6.82
0.00	1.54
0.00	9.86
3.13	30.44

ALFALFA ESTABLISHMENT

MACHINE	UNIT	OVER	RATE	TOTAL	CUSTOM
CHISEL	40 HP	1.00	0.20	0.20	
DISC	40 HP	1.00	0.17	0.17	
DRILL	40 HP	1.00	0.25	0.25	
DITCH MAINTENANCE					0.5
IRRIGATE (IX)		1.00	0.50	0.50	

ALFALFA HAY

MACHINE	UNIT	OVER	RATE	TOTAL	CUSTOM
DITCH MAINTENANCE					0.5
IRRIGATE (IX)		8.00	0.50	4.02	
MOWER (IX)	40 HP	3.00	0.37	1.11	
RAGE (IX)	40 HP	3.00	0.12	0.36	
BALER (IX)	40 HP	3.00	0.21	0.63	
HALL (IX)	1 TON TRUC	3.00	1.50	4.50	

NATIVE GRASS HAY

MACHINE	UNIT	OVER	RATE	TOTAL	CUSTOM
DITCH MAINTENANCE					0.5
IRRIGATE (IX)		5.00	0.50	3.02	
MOWER (IX)	40 HP	2.00	0.37	0.74	
RAGE (IX)	40 HP	2.00	0.12	0.24	
BALER (IX)	40 HP	2.00	0.21	0.42	
HALL (IX)	1 TON TRUC	2.00	0.80	1.60	

ANNUAL REPAIR COSTS AS A PERCENT OF NEW VALUE

Hours of Use	1	2	3	4	5	6	7	8	9
0	0.000000	0.000000	0.000000	0.000000	0.000000	0.001480	0.000040	0.000240	0.000000
50	0.000080	0.000020	0.000020	0.000020	0.000080	0.001140	0.000040	0.000240	0.000000
100	0.000160	0.000040	0.000040	0.000040	0.000160	0.000800	0.000040	0.000240	0.000000
200	0.000320	0.000080	0.000080	0.000080	0.000320	0.000480	0.000040	0.000240	0.000000
300	0.000480	0.000120	0.000120	0.000120	0.000480	0.000320	0.000040	0.000240	0.000000
400	0.000640	0.000160	0.000160	0.000160	0.000640	0.000240	0.000040	0.000240	0.000000
500	0.000800	0.000200	0.000200	0.000200	0.000800	0.000160	0.000040	0.000240	0.000000
600	0.000960	0.000240	0.000240	0.000240	0.000960	0.000120	0.000040	0.000240	0.000000
700	0.001120	0.000280	0.000280	0.000280	0.001120	0.000080	0.000040	0.000240	0.000000
800	0.001280	0.000320	0.000320	0.000320	0.001280	0.000040	0.000040	0.000240	0.000000
900	0.001440	0.000360	0.000360	0.000360	0.001440	0.000000	0.000040	0.000240	0.000000
1000	0.001600	0.000400	0.000400	0.000400	0.001600	0.000000	0.000000	0.000240	0.000000
1200	0.001920	0.000480	0.000480	0.000480	0.001920	0.000000	0.000000	0.000120	0.000000
1400	0.002240	0.000560	0.000560	0.000560	0.002240	0.000000	0.000000	0.000000	0.000000
1600	0.002560	0.000640	0.000640	0.000640	0.002560	0.000000	0.000000	0.000000	0.000000
1800	0.002880	0.000720	0.000720	0.000720	0.002880	0.000000	0.000000	0.000000	0.000000
2000	0.003200	0.000800	0.000800	0.000800	0.003200	0.000000	0.000000	0.000000	0.000000
2500	0.004000	0.001000	0.001000	0.001000	0.004000	0.000000	0.000000	0.000000	0.000000
3000	0.004800	0.001200	0.001200	0.001200	0.004800	0.000000	0.000000	0.000000	0.000000
4000	0.006400	0.001600	0.001600	0.001600	0.006400	0.000000	0.000000	0.000000	0.000000
5000	0.008000	0.002000	0.002000	0.002000	0.008000	0.000000	0.000000	0.000000	0.000000
6000	0.009600	0.002400	0.002400	0.002400	0.009600	0.000000	0.000000	0.000000	0.000000
8000	0.012800	0.003200	0.003200	0.003200	0.012800	0.000000	0.000000	0.000000	0.000000

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

\*\* Based on "Agricultural Machinery Data" in Agriculture Engineers Yearbook, 1953.

- Codes
- 1 balers
  - 2 mowers, combines, forage harvesters, windrowers, pickups
  - 3 rotary hoes, disks, moldboard plows, chisels, field cultivators
  - 4 harrows, weepers, rollers, rakes, disk, drag, roller, water wheel
  - 5 mowers, cultivators, plows, disk, cotton strippers, corn pickers
  - 6 mowers, cultivators, plows, disk, cotton strippers, corn pickers, hay balers, forage equipment, rotary mowers, stalk choppers, hay mangers, limb trucks
  - 7 mowers, cultivator mowers
  - 8 mowers, disk, manure spreader
  - 9 planters, drills, seeding equipment, mounted sprayers
  - 0 fertilizer distributing equipment

TABLE 6. Alfalfa establishment, flood-irrigated, budgeted per acre costs and returns for an 80 acre part-time farm, Dry Cimarron area, Union County, Projected 2007.  
Planting dates: August 15 - September 15

ITEM	PRICE	QUANTITY	PURCHASED INPUTS					TOTAL
<b>PURCHASED INPUTS</b>								
SEED	\$3.05	18 LBS		\$54.90				\$54.90
CANAL WATER		5 AC. IN.						
SUBTOTAL				\$54.90				\$54.90
<b>PREHARVEST OPERATIONS</b>								
	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
CHISEL	40 HP	0.20 HR		\$1.49	\$2.02	\$0.22	\$0.62	\$4.34
DISC	40 HP	0.17 HR		\$1.27	\$1.72	\$0.18	\$0.52	\$3.69
DRILL	40 HP	0.25 HR		\$1.86	\$2.52	\$0.27	\$0.77	\$5.43
DITCH MAINTENANCE		0.50 HR		\$3.73				\$3.73
IRRIGATE (1X)		0.75 HR		\$4.95				\$4.95
SUBTOTAL		1.87 HR		\$13.29	\$6.26	\$0.67	\$1.91	\$22.13
<b>OVERHEAD EXPENSES</b>								
DOWNTIME		0.16 HR		\$1.15				\$1.15
EMPLOYEE BENEFITS				\$2.39				\$2.39
INSURANCE			\$0.27					\$0.27
SUPERVISION AND MANAGEMENT				\$6.45				\$6.45
SUBTOTAL		0.16 HR	\$0.27	\$10.00				\$10.27
<b>TOTAL OPERATING EXPENSES</b>		2.03 HR	\$55.17	\$23.29	\$6.26	\$0.67	\$1.91	\$87.30

TABLE 7. Alfalfa hay, flood-irrigated, budgeted per acre costs and returns for an 80 acre part-time farm, Dry Cimarron area, Union County, Projected 2007.

Harvesting dates: May 15 - September 15

ITEM	PRICE	YIELD	TOTAL
<b>GROSS RETURNS</b>			
ALFALF FA HAY	\$140.00	4.00 TONS (STACKED)	\$560.00
GRAZING	\$15.00	1.00 ACRE	\$15.00
<b>TOTAL</b>			<b>\$575.00</b>

PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS	FIXED COST	TOTAL
LIVESTOCK FAC & EQUIP ESTABLISHMENT: Principal		10.00 YEARS		\$4.00	\$4.00
Interest				\$8.73	\$8.73
BALING WIRE	\$0.55	34.28 LBS	\$18.85	\$4.19	\$4.19
CANAL WATER		16.00 AC. IN.	\$5.00		\$18.85
PUMP WATER*		8.00 AC. IN.			\$5.00
<b>SUBTOTAL</b>			<b>\$23.85</b>	<b>\$16.92</b>	<b>\$40.77</b>

PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
DITCH MAINTENANCE		0.50 HR		\$3.73				\$3.73
IRRIGATE (8X)		4.00 HR		\$26.40	\$5.69	\$0.00	\$14.59	\$46.68
<b>SUBTOTAL</b>		<b>4.50 HR</b>		<b>\$30.13</b>	<b>\$5.69</b>	<b>\$0.00</b>	<b>\$14.59</b>	<b>\$50.41</b>

HARVEST OPERATIONS								
MOWER (3X)	40 HP	1.11 HR		\$8.27	\$11.21	\$1.60	\$5.54	\$26.62
RAKE (3X)	40 HP	0.36 HR		\$2.68	\$3.64	\$0.54	\$3.64	\$10.50
BALER (3X)	40 HP	0.63 HR		\$4.69	\$6.36	\$0.78	\$8.23	\$20.06
HAUL (3X)	1 TON TRUCK	4.50 HR		\$33.53	\$77.18	\$37.46	\$55.19	\$203.36
<b>SUBTOTAL</b>		<b>6.60 HR</b>		<b>\$49.17</b>	<b>\$98.39</b>	<b>\$40.38</b>	<b>\$72.60</b>	<b>\$260.54</b>

OVERHEAD EXPENSES								
DOWNTIME		1.65 HR		\$12.29				\$12.29
EMPLOYEE BENEFITS				\$14.27				\$14.27
INSURANCE			\$1.59					\$1.59
LAND TAXES							\$0.24	\$0.24
SUPERVISION AND MANAGEMENT				\$47.55				\$47.55
OTHER EXPENSES			\$211.37					\$211.37
<b>SUBTOTAL</b>		<b>1.65 HR</b>		<b>\$212.95</b>	<b>\$74.12</b>		<b>\$0.24</b>	<b>\$287.31</b>

TOTAL OPERATING EXPENSES 12.75 HR \$236.81 \$153.41 \$104.08 \$40.38 \$104.35 \$639.03

NET OPERATING PROFIT (\$64.03)

INTEREST ON OPERATING CAPITAL ( \$24.91 @ 8.00% ) \$1.99  
 INTEREST ON EQUIPMENT INVESTMENT \$3.13

RETURN TO LAND AND RISK (\$69.15)

\* Pump water costs are shown under irrigation in the preharvest operations section.

BUDGET SUMMARY

GROSS RETURN		\$575.00	
VARIABLE OPERATING EXPENSES	\$381.27		
RETURN OVER VARIABLE EXPENSES		\$193.73	(GROSS MARGIN)
FIXED EXPENSES	\$104.35		
NET FARM INCOME		\$89.38	(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$153.41		
NET OPERATING PROFIT		(\$64.03)	(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$5.12		
RETURN TO LAND AND RISK		(\$69.15)	

TABLE 8. Native grass hay, flood-irrigated, budgeted per acre costs and returns for an 80 acre part-time farm, Dry Cimarron area, Union County, Projected 2007.  
Harvesting dates: July 20 - September 15

ITEM	PRICE	YIELD						TOTAL
<b>GROSS RETURNS</b>								
HAY	\$125.00	1.50 TONS (STACKED)						\$187.50
GRAZING	\$13.00	1.00 ACRE						\$13.00
<b>TOTAL</b>							<b>\$200.50</b>	
<b>PURCHASED INPUTS</b>								
PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS				FIXED COST	TOTAL
LIVESTOCK FAC & EQUIP							\$4.00	\$4.00
BALING WIRE	\$0.55	13 LBS	\$7.07					\$7.07
CANAL WATER		12 AC. IN.	\$5.00					\$5.00
PUMP WATER*		6 AC. IN.						
<b>SUBTOTAL</b>			<b>\$12.07</b>				<b>\$4.00</b>	<b>\$16.07</b>
<b>PREHARVEST OPERATIONS</b>								
PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
DITCH MAINTENANCE		0.50 HR		\$3.73				\$3.73
IRRIGATE (5X)		2.50 HR		\$18.63	\$4.27	\$0.00	\$10.95	\$33.84
<b>SUBTOTAL</b>		<b>3.00 HR</b>		<b>\$22.35</b>	<b>\$4.27</b>	<b>\$0.00</b>	<b>\$10.95</b>	<b>\$37.56</b>
<b>HARVEST OPERATIONS</b>								
MOWER (2X)	40 HP	0.74 HR		\$5.51	\$7.47	\$1.07	\$3.69	\$17.75
RAKE (2X)	40 HP	0.24 HR		\$1.79	\$2.42	\$0.36	\$2.43	\$7.00
BALER, 1-TON (2X)	40 HP	0.42 HR		\$3.13	\$4.24	\$0.52	\$5.48	\$13.37
HAUL (2X)	TRUCK	1.60 HR		\$11.92	\$27.44	\$13.32	\$19.62	\$72.31
<b>SUBTOTAL</b>		<b>3.00 HR</b>	<b>\$0.00</b>	<b>\$22.35</b>	<b>\$41.58</b>	<b>\$15.27</b>	<b>\$31.23</b>	<b>\$110.43</b>
<b>OVERHEAD EXPENSES</b>								
DOWNTIME		0.75 HR		\$5.59				\$5.59
EMPLOYEE BENEFITS				\$8.05				\$8.05
INSURANCE			\$0.89					\$0.89
LAND TAXES							\$0.24	\$0.24
SUPERVISION AND MANAGEMENT				\$15.54				\$15.54
OTHER EXPENSES			\$211.37					\$211.37
<b>SUBTOTAL</b>		<b>0.75 HR</b>	<b>\$212.26</b>	<b>\$29.17</b>			<b>\$0.24</b>	<b>\$241.67</b>
<b>TOTAL OPERATING EXPENSES</b>		<b>3.75 HR</b>	<b>\$224.33</b>	<b>\$73.87</b>	<b>\$45.85</b>	<b>\$15.27</b>	<b>\$46.41</b>	<b>\$405.73</b>
<b>NET OPERATING PROFIT</b>							<b>(\$205.23)</b>	
INTEREST ON OPERATING CAPITAL		( \$11.84 @ 8.00% )						\$0.95
INTEREST ON EQUIPMENT INVESTMENT								\$30.44
<b>RETURN TO LAND AND RISK</b>							<b>(\$236.62)</b>	

\* Pump water costs are shown under irrigation in the preharvest operations section.

**BUDGET SUMMARY**

GROSS RETURN		\$200.50	
VARIABLE OPERATING EXPENSES	\$285.45		
RETURN OVER VARIABLE EXPENSES		(\$84.95)	(GROSS MARGIN)
FIXED EXPENSES	\$46.41		
NET FARM INCOME		(\$131.36)	(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$73.87		
NET OPERATING PROFIT		(\$205.23)	(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$31.39		
RETURN TO LAND AND RISK		(\$236.62)	

TABLE 9. Summary of per acre costs and returns for an 80 acre part-time farm, Dry Cimarron area, Union County  
Projected 2007.

	ALFALFA ESTABLISHMENT	ALFALFA HAY	NATIVE GRASS HAY
		TONS	TONS
PRIMARY YIELD		4.00	1.50
PRIMARY PRICE		\$140.00	\$125.00
GOVERNMENT PAYMENTS		\$0.00	\$0.00
SECOND INCOME		\$15.00	\$13.00
GROSS RETURN		\$575.00	\$200.50
CASH OPERATING EXPENSES			
SEED	\$54.90		
FERTILIZER			
CHEMICALS			
CROP INSURANCE			
OTHER PURCHASED INPUTS		\$18.85	\$7.07
CANAL WATER		\$5.00	\$5.00
FUEL, OIL & LUBRICANTS-EQUIPMENT	\$6.26	\$98.39	\$41.58
FUEL-IRRIGATION		\$5.69	\$4.27
REPAIRS	\$0.67	\$40.38	\$15.27
CUSTOM CHARGES			
LAND TAXES		\$0.24	\$0.24
OTHER EXPENSES	\$0.27	\$212.95	\$212.26
TOTAL CASH EXPENSES	\$62.10	\$381.51	\$285.69
RETURN OVER CASH EXPENSES	(\$62.10)	\$193.49	(\$85.19)
FIXED EXPENSES	\$1.91	\$104.11	\$46.17
TOTAL EXPENSES	\$64.01	\$485.62	\$331.86
NET FARM INCOME	(\$64.01)	\$89.38	(\$131.36)
LABOR AND MANAGEMENT COSTS	\$23.29	\$153.41	\$73.87
NET OPERATING PROFIT	(\$87.30)	(\$64.03)	(\$205.23)
CAPITAL COSTS			
INTEREST ON OPERATING CAPITAL		\$1.99	\$0.95
INTEREST ON EQUIPMENT INVESTMENT		\$3.13	\$30.44
TOTAL CAPITAL COSTS	\$0.00	\$5.12	\$31.39
RETURN TO LAND AND RISK	(\$87.30)	(\$69.15)	(\$236.62)

TABLE 10. Whole farm summary, Union County,  
Projected 2007.

GROSS RETURNS		
ALFALFA HAY	40 ACRES	
CROP		\$22,400
GRAZING		\$600
NATIVE GRASS HAY	40 ACRES	
CROP		\$7,500
GRAZING		\$520
GROSS RETURN		<u>\$31,020</u>
CASH OPERATING EXPENSES		
SEED		\$220
FERTILIZER		\$0
CHEMICALS		\$0
CROP INSURANCE		\$0
OTHER PURCHASED INPUTS		\$1,037
CANAL WATER		\$400
FUEL, OIL & LUBRICANTS-EQUIPMENT		\$5,624
FUEL-IRRIGATION		\$398
REPAIRS		\$2,229
CUSTOM CHARGES		\$0
LAND TAXES		\$19
OTHER EXPENSES		\$17,010
TOTAL CASH EXPENSES		<u>\$26,936</u>
RETURN OVER CASH EXPENSES		\$4,084
FIXED EXPENSES		\$5,670
TOTAL EXPENSES		\$32,606
NET FARM INCOME		(\$1,586)
LABOR AND MANAGEMENT COSTS		\$9,184
NET OPERATING PROFIT		(\$10,770)
CAPITAL COSTS		
INTEREST ON OPERATING CAPITAL		\$118
INTEREST ON EQUIPMENT INVESTMENT		\$1,343
TOTAL CAPITAL COSTS		<u>\$1,460</u>
RETURN TO LAND AND RISK		<u>(\$12,231)</u>

LAND VALUE	RETURN TO RISK*	RETURN ON INVESTMENT**
\$200 /ACRE	(\$12,711)	-19.74%
\$350 /ACRE	(\$13,071)	-16.18%
\$500 /ACRE	(\$13,431)	-13.71%

\* 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)