

TABLE 10. Alfalfa establishment, flood-irrigated, budgeted per acre costs and returns for a 200 acre farm with above average management, Eastern Slope
 Projected 2015
 Planting dates: August 15 - October 1

ITEM	PRICE	QUANTITY	PURCHASED INPUTS				TOTAL	
<u>PURCHASED INPUTS</u>								
ALFALFA SEED	\$6.00	20 LBS		\$120.00			\$120.00	
NITROGEN (N)	\$0.45	16 LBS		\$7.20			\$7.20	
PHOSPHATE (P2O5)	\$0.40	20 LBS		\$8.00			\$8.00	
CANAL WATER		12 AC. IN.						
OAT SEED	\$0.64	60 LBS		\$38.40			\$38.40	
SUBTOTAL				\$173.60			\$173.60	
<u>PREHARVEST OPERATIONS</u>								
	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
DISC	40 HP	0.63 HR		\$3.24	\$2.54	\$1.46	\$13.07	\$20.32
PLOW	40 HP	1.31 HR		\$6.75	\$5.29	\$3.91	\$15.58	\$31.53
DISC (1X)	40 HP	0.53 HR		\$2.73	\$0.00	\$0.20	\$6.30	\$9.23
FLOAT	40 HP	0.32		\$1.65	\$0.00	\$0.62	\$0.00	\$2.27
BORDER DISC	40 HP	0.05 HR		\$0.26	\$0.20	\$0.07	\$15.25	\$15.78
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	\$1.25	\$2.04	\$8.25
SUBTOTAL		5.63 HR	\$12.73	\$28.99	\$10.22	\$7.50	\$52.24	\$111.68
<u>OVERHEAD EXPENSES</u>								
DOWNTIME		2.105 HR		\$10.84				\$10.84
EMPLOYEE BENEFITS				\$3.48				\$3.48
INSURANCE			\$0.58					\$0.58
SUPERVISION AND MANAGEMENT				\$23.64				\$23.64
SUBTOTAL		2.11 HR	\$0.58	\$37.96				\$38.54
<u>TOTAL OPERATING EXPENSES</u>		7.74 HR	\$186.91	\$66.95	\$10.22	\$7.50	\$52.24	\$323.82

TABLE 11. Alfalfa hay, flood-irrigated, budgeted per acre costs and returns for a 200 acre farm with above average management, Eastern Slope
 Projected 2015
 Harvest dates: June 10 - October 15

ITEM	PRICE	YIELD	TOTAL
GROSS RETURNS			
ALFALFA HAY	\$245.00	4 TONS (STACKED)	\$980.00
GRAZING	\$10.00	1 AUM	\$10.00
TOTAL			\$990.00

PURCHASED INPUTS	PRICE	QUANTITY	PURCHASED INPUTS	FIXED COST	TOTAL
NITROGEN (N)	\$0.45	40 LBS	\$18.00		\$18.00
PHOSPHATE (P2O5)	\$0.40	30 LBS	\$12.00		\$12.00
INSECTICIDE (CUSTOM)	\$0.00	0 ACRE	\$0.00		\$0.00
WIRE	\$1.32	34.28 LBS	\$45.25		\$45.25
ESTABLISHMENT: Principal		6 YEARS		\$53.97	\$53.97
: Interest				\$13.48	\$13.48
CANAL WATER		36 AC. IN.		\$4.00	\$4.00
SUBTOTAL			\$75.25	\$71.45	\$146.70

PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
CLEAN DITCHES	CUSTOM		10					
IRRIGATE (6X)		2.25 HR		\$11.59				\$11.59
FERTILIZE	40HP	0.05 X/ACRE		\$0.26	\$0.20	\$0.02	\$0.10	\$0.58
SUBTOTAL		2.3 HR	10	\$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				\$71.55				\$71.55
OTHER EXPENSES			\$22.02					\$22.02
SUBTOTAL			\$22.25	\$72.97			\$1.91	\$97.14

TOTAL OPERATING EXPENSES		2.25 HR	\$370.20	\$84.82	\$0.20	\$0.02	\$73.47	\$482.56
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NET OPERATING PROFIT								\$507.44
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INTEREST ON OPERATING CAPITAL	(\$37.62	@	8.00%)			\$3.01
INTEREST ON EQUIPMENT INVESTMENT								\$2.27

RETURN TO LAND AND RISK								\$502.16
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BUDGET SUMMARY

GROSS RETURN		\$990.00	
VARIABLE OPERATING EXPENSES	\$370.42		
RETURN OVER VARIABLE EXPENSES	\$619.58	(GROSS MARGIN)	
FIXED EXPENSES	\$73.47		
NET FARM INCOME	\$546.11	(RETURN TO CAPITAL, LABOR, LAND & RISK)	
LABOR AND MANAGEMENT COST	\$84.82		
NET OPERATING PROFIT	\$461.30	(RETURN TO CAPITAL, LAND & RISK)	
CAPITAL COSTS	\$5.28		
RETURN TO LAND AND RISK		\$456.01	

TABLE 12. Grass hay establishment, flood-irrigated, budgeted per acre costs and returns for a 200 acre farm with above average management, Eastern Slope
 Projected 2015
 Planting dates: August 15 - October 1

ITEM	PRICE	QUANTITY	PURCHASED INPUTS						TOTAL	
PURCHASED INPUTS										
FESCUE SEED	\$0.80	17 LBS	\$13.60						\$13.60	
PHOSPHATE	\$0.40	30 LBS	\$12.00						\$12.00	
NITROGEN	\$0.45	70 LBS	\$31.50						\$31.50	
CANAL WATER		18 AC. IN.								
TIMOTHY SEED	\$0.95	15	\$14.25						\$14.25	
SUBTOTAL			\$71.35						\$71.35	
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	\$2.45	\$22.00	\$34.18		
PLOW	40 HP	1.31 HR		\$6.75	\$5.29	\$3.91	\$34.25	\$50.20		
FERTILIZE	40 HP	0.05 HR		\$0.26	\$0.20	\$0.12	\$1.04	\$1.61		
FLOAT	40 HP	0.32 HR		\$1.65	\$1.29	\$0.12	\$0.65	\$3.71		
BORDER DISC	40 HP	0.1 HR		\$0.52	\$0.40	\$0.13	\$30.50	\$31.55		
DRILL	CUSTOM		\$13.67						\$13.67	
IRRIGATE (3X)		2.25 HR		\$11.59						\$11.59
CORRUGATE		0.54		\$2.78	\$2.18	\$0.20	\$1.10	\$6.26		
SUBTOTAL		5.63 HR	\$13.67	\$28.99	\$13.65	\$6.93	\$89.53	\$152.78		
<u>OVERHEAD EXPENSES</u>										
DOWNTIME		0.71 HR		\$3.66						\$3.66
EMPLOYEE BENEFITS				\$7.25						\$7.25
INSURANCE			\$0.58						\$0.58	
SUPERVISION AND MANAGEMENT				\$19.36						\$19.36
SUBTOTAL		0.71 HR	\$0.58	\$30.26						\$30.84
<u>TOTAL OPERATING EXPENSES</u>		6.34 HR	\$85.60	\$59.26	\$13.65	\$6.93	\$89.53	\$254.98		

TABLE 13. Grass hay pasture, flood-irrigated, budgeted per acre costs and returns for a 200 acre farm with above average management, Eastern Slope
 Projected 2015
 Harvest dates: May 1 - November 30

ITEM	PRICE	YIELD						TOTAL
GROSS RETURNS								
GRASS HAY	\$220.00	2 TONS						\$440.00
PASTURE	\$18.00	1 AUMS						\$18.00
TOTAL								\$458.00
PURCHASED INPUTS								
PRICE	QUANTITY	PURCHASED INPUTS				FIXED COST	TOTAL	
PHOSPHATE	\$0.40	34 LBS	\$13.60				\$13.60	
NITROGEN	\$0.45	70 LBS	\$31.50				\$31.50	
ESTABLISHMENT: Principal		20 YEARS				\$12.75	\$12.75	
: Interest						\$8.58	\$8.58	
CANAL WATER		36 AC. IN.				\$4.00	\$4.00	
SUBTOTAL			\$45.10				\$25.33	\$70.43
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 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	
SUBTOTAL			\$216.55				\$216.55	
OVERHEAD 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			\$34.56				\$34.56	
OTHER EXPENSES			\$22.02				\$22.02	
SUBTOTAL			\$22.54	\$37.68			\$1.91	\$62.13
TOTAL OPERATING EXPENSES		5.00 HR	\$289.19	\$63.69	\$0.20	\$0.02	\$27.34	\$453.07
NET OPERATING PROFIT							\$4.93	
INTEREST ON OPERATING CAPITAL	(\$70.43	@	8.00%			\$3.33	
INTEREST ON EQUIPMENT INVESTMENT							\$3.33	
RETURN TO LAND AND RISK							-\$1.74	
BUDGET SUMMARY								
GROSS RETURN			\$458.00					
VARIABLE OPERATING EXPENSES	\$289.41							
RETURN OVER VARIABLE EXPENSES		\$168.59	(GROSS MARGIN)					
FIXED EXPENSES	\$27.34							
NET FARM INCOME		\$141.25	(RETURN TO CAPITAL, LABOR, LAND & RISK)					
LABOR AND MANAGEMENT COST	\$63.69							
NET OPERATING PROFIT		\$77.56	(RETURN TO CAPITAL, LAND & RISK)					
CAPITAL COSTS	\$6.66							
RETURN TO LAND AND RISK		\$70.90						

TABLE 14. Grass hay establishment, flood irrigated, budgeted per acre costs and returns for a 200 acre part-time farm, with above average management, Eastern Slope
 Projected 2015
 Planting dates: May 15 - July 1

ITEM	PRICE	QUANTITY	PURCHASED INPUTS					TOTAL	
<u>PURCHASED INPUTS</u>									
GRASS HAY SEED	\$3.12	15 LBS		\$46.80				\$46.80	
NITROGEN (N)	\$0.45	70 LBS		\$31.50				\$31.50	
PHOSPHATE (P205)	\$0.40	35 LBS		\$14.00				\$14.00	
CANAL WATER (MAINTENANCE)		18 AC. IN.						\$0.00	
SUBTOTAL				\$92.30				\$92.30	
<u>PREHARVEST OPERATIONS</u>									
	POWER UNIT	ACCOMPLISHMENT RATE		PURCHASED INPUTS	LABOR	FUEL & OIL	REPAIRS	FIXED COST	TOTAL
PLOW	40 HP	1.31 HR			\$6.75	\$5.29	\$3.91	\$34.25	\$50.20
DISC (2X)	40 HP	0.62 HR			\$3.19	\$2.50	\$1.43	\$12.87	\$19.99
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	\$0.12	\$0.65	\$3.71
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	\$5.50	\$47.97	\$86.65
<u>OVERHEAD EXPENSES</u>									
DOWNTIME		1.805 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					\$183.50				\$183.50
OTHER EXPENSES				\$22.02					\$22.02
SUBTOTAL		1.81 HR		\$22.49	\$195.64		\$1.91		\$220.04
<u>TOTAL OPERATING EXPENSES</u>		6.41 HR		\$114.79	\$219.33	\$9.49	\$5.50	\$49.88	\$399.00

TABLE 15. Grass Hay, flood-irrigated, budgeted per acre costs and returns for a 200 acre farm with above average management, Eastern Slope
 Projected 2015
 Harvest dates: August 15 - September 30

ITEM	PRICE	YIELD						TOTAL	
GROSS RETURNS									
GRASS HAY	\$220.00	2.50 TONS (STACKED)						\$550.00	
GRAZING	\$10.00	1.00 ACRE						\$10.00	
TOTAL							\$560.00		
PURCHASED INPUTS		PRICE	QUANTITY	PURCHASED INPUTS	FIXED COSTS			TOTAL	
SEED	\$0.86	70.00 LBS	\$60.20				\$60.20		
PHOSPHATE	\$0.40	35.00 LBS	\$14.00				\$14.00		
NITROGEN	\$0.45	70.00 ACRE	\$31.50				\$31.50		
WIRE	\$1.32	21.43 LBS	\$28.28				\$28.28		
CANAL WATER		30.00 AC. IN.		\$25.00			\$25.00		
SUBTOTAL			\$133.98	\$25.00			\$158.98		
PREHARVEST OPERATIONS	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COSTS	TOTAL	
FERTILIZE	40HP	0.05 HR		\$0.26	\$0.10	\$0.23	\$1.31	\$1.90	
IRRIGATE (5X)		3.75 HR		\$19.31	\$0.00	\$0.00	\$0.00	\$19.31	
CLEAN DITCHES	CUSTOM		\$5.00					\$5.00	
SUBTOTAL			3.80 HR	\$5.00	\$19.57	\$0.10	\$0.23	\$1.31	\$26.21
HARVEST OPERATIONS									
SWATHER	CUSTOM		\$30.00					\$30.00	
BALER (2X)	CUSTOM		\$4.15					\$4.15	
BALEWAGON (2X)	CUSTOM		\$104.00					\$104.00	
SUBTOTAL			0.00 HR	\$138.15				\$138.15	
OVERHEAD EXPENSES									
DOWNTIME		0.00 HR		\$0.00				\$0.00	
EMPLOYEE BENEFITS				\$2.35				\$2.35	
INSURANCE			\$0.39					\$0.39	
LAND TAXES							\$1.91	\$1.91	
SUPERVISION AND MANAGEMENT				\$17.57				\$17.57	
OTHER EXPENSES			\$22.02					\$22.02	
SUBTOTAL			0.00 HR	\$22.41	\$19.92		\$1.91	\$44.24	
TOTAL OPERATING EXPENSES			3.80 HR	\$299.54	\$39.49	\$0.10	\$0.23	\$28.22	\$367.58
NET OPERATING PROFIT								\$192.42	
INTEREST ON OPERATING CAPITAL	(\$67.07	@	8.00%				\$5.37	
INTEREST ON EQUIPMENT INVESTMENT								\$23.33	
RETURN TO LAND AND RISK								\$163.72	

BUDGET SUMMARY

GROSS RETURN		\$560.00	
VARIABLE OPERATING EXPENSES	\$299.87		
RETURN OVER VARIABLE EXPENSES		\$260.13	(GROSS MARGIN)
FIXED EXPENSES	\$28.22		
NET FARM INCOME		\$231.91	(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$39.49		
NET OPERATING PROFIT		\$192.42	(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$28.70		
RETURN TO LAND AND RISK		\$163.72	

TABLE 16. Summary of per acre costs and returns, 200 acre farm with above average management, Eastern Slope
Projected 2015

	ALFALFA ESTABLISHMENT	ALFALFA HAY FLOOD	GRASS HAY EST.	GRASS HAY PASTURE
		TONS		TONS/AUMS
PRIMARY PRICE				\$440.00
PRIMARY YIELD		\$4.00		\$1.00
PRIMARY PRICE		\$245.00		\$0.00
GOVERNMENT PAYMENTS		\$0.00		\$0.00
SECOND INCOME		\$10.00		\$18.00
GROSS RETURN		\$990.00		\$458.00
CASH OPERATING EXPENSES				
SEED	\$120.00		\$13.60	
FERTILIZER	\$15.20	\$30.00	\$31.50	\$31.50
CHEMICALS		\$0.00		
CROP INSURANCE				
OTHER PURCHASED INPUTS		\$45.25		
CANAL WATER		\$4.00		\$4.00
FUEL, OIL & LUBRICANTS-EQUIPMENT	\$10.22	\$0.20	\$13.65	\$0.20
FUEL-IRRIGATION				
REPAIRS	\$7.50	\$0.02	\$6.93	\$0.02
CUSTOM CHARGES	\$12.73	\$216.55		
LAND TAXES		\$1.91		\$1.91
OTHER EXPENSES	\$0.58	\$22.25	\$0.58	\$22.54
TOTAL CASH EXPENSES	\$166.23	\$320.19	\$66.26	\$453.07
RETURN OVER CASH EXPENSES	-\$166.23	\$669.81	-\$66.26	\$4.93
FIXED EXPENSES	\$52.24	\$67.56	\$89.53	\$21.43
TOTAL EXPENSES	\$218.47	\$387.74	\$155.80	\$474.50
NET FARM INCOME	-\$218.47	\$602.26	-\$155.80	-\$16.50
LABOR AND MANAGEMENT COSTS	\$66.95	\$84.82	\$59.26	\$63.69
NET OPERATING PROFIT	-\$285.42	\$517.44	-\$215.06	-\$80.19
CAPITAL COSTS				
INTEREST ON OPERATING CAPITAL		\$3.01		\$3.33
INTEREST ON EQUIPMENT INVESTMENT		\$2.27		\$3.33
TOTAL CAPITAL COSTS	\$0.00	\$5.28	\$0.00	\$6.66
RETURN TO LAND AND RISK	-\$285.42	\$512.16	-\$215.06	\$163.72

TABLE 17. Whole farm budget summary, Eastern Slope
Projected 2015

GROSS RETURNS		
ALFALFA HAY	40 ACRES	
CROP		\$39,200.00
GRAZING		\$400.00
GRASS HAY	160 ACRES	
CROP		\$88,000.00
GRAZING		\$2,880.00
SUDAN HAY (AOH)	0 ACRES	
CROP		\$0.00
GRAZING		\$0.00
	0 ACRES	
		\$0.00
		\$0.00
LIVESTOCK		\$46,956.40
GROSS RETURN		<u>\$177,436.40</u>
CASH OPERATING EXPENSES		
FORAGE		\$4,355.88
LIVESTOCK FEED		\$41,887.06
SEED		\$948.80
FERTILIZER		\$6,598.40
CHEMICALS		\$0.00
CROP INSURANCE		\$0.00
OTHER PURCHASED INPUTS		\$1,809.98
CANAL WATER		\$800.00
FUEL, OIL & LUBRICANTS-EQUIPMENT		\$221.15
FUEL-IRRIGATION		\$0.00
REPAIRS		\$111.70
CUSTOM CHARGES		\$8,751.11
LAND TAXES		\$382.42
OTHER EXPENSES		\$4,504.60
TOTAL CASH EXPENSES		<u>\$70,371.10</u>
RETURN OVER CASH EXPENSES		\$107,065.30
FIXED EXPENSES		\$3,014.24
TOTAL EXPENSES		\$73,385.34
NET FARM INCOME		\$104,051.06
LABOR AND MANAGEMENT COSTS		\$14,525.55
NET OPERATING PROFIT		\$89,525.51
CAPITAL COSTS		
INTEREST ON OPERATING CAPITAL		\$653.53
INTEREST ON EQUIPMENT INVESTMENT		\$624.10
TOTAL CAPITAL COSTS		<u>\$1,277.63</u>
RETURN TO LAND AND RISK		<u>\$88,247.88</u>

LAND VALUE	RETURN TO RISK*	RETURN ON INVESTMENT**
1,000 /ACRE	\$80,247.88	42.97%
2,000 /ACRE	\$72,247.88	21.92%
3,000 /ACRE	\$64,247.88	14.72%
4,000 /ACRE	\$56,247.88	11.08%
5,000 /ACRE	\$48,247.88	8.88%
6,000 /ACRE	\$40,247.88	7.41%
7,000 /ACRE	\$32,247.88	6.36%

* 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)