

TABLE 1. Acreage Summary, Union County,
Projected 2017

BUDGET AREA.....	DRY CIMARRON AREA, UNION COUNTY		
FARM SIZE.....	80 ACRES		
IRRIGATION TYPE.....	FLOOD		
NUMBER OF CROPS...	2		

ACREAGE SUMMARY:	WATER USE		
	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 2017

Item		
Labor Wage Rate:		
Equipment operators	\$/hour	\$8.55
General & Irrigators	\$/hour	\$7.50
Purchased Inputs:		
Seed:		
Alfalfa	\$/pound	\$3.05
Natural gas	\$/MCF	\$4.00
Diesel fuel	\$/gallon	\$2.35
Gasoline	\$/gallon	\$2.10
Electricity	cents/KwHr	7.94
LP Gas	\$/gallon	\$2.60
Baling Wire	\$/pound	\$1.32
Employee Liability Insurance	\$/ \$1,000 wages	\$20.00
Employee Benefits	percent/wages	18.00%
Labor Downtime	percent	25.00%
Financial Rates:		
Operating Capital Interest Rate	percent	5.50%
Land Interest Rate	percent	5.00%
Equipment Interest Rate	percent	5.50%
Real Interest Rate	percent	3.00%
Land Taxes	\$27.00 /acre (full value)	\$0.20
Personal Property Tax Rate	-NR - R	\$/ \$1,000 (Assessed Value) \$18.53
Supervision Factors		
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 2017

Item			
Electricity (Domestic & Shop)		\$121.00 per month	\$1,452
Telephone		\$96.80 per month	\$1,162
Accounting & Legal			\$545
Misc. Supplies & Hand Tools			\$895
Pickup and Auto			
miles	12,463	@ \$0.500 per mile	\$6,232
Insurance			
- general liability (non-employee)			\$1,162
- fire/theft			\$756
Property Taxes			
- other than land & machinery			\$6,010
Building repairs and maintenance			\$575
Dues, fees, publications			\$290
Farmstead Equipment			\$91
Total			\$19,169
Total per planted acre			\$239.61

TABLE 4. Fumio costs and data for irrigation wells. Dry-Cotton area, Union County, Proposed 2017

DEPTH CHARACTERISTICS	
DEPTH	STATIC
SHRINK DOWN	85
TOTAL HEAD	85
CASING	75

EFFICIENCY FACTOR	
ELECTRICITY	0.840
NATURAL GAS	0.544
LP GAS	0.564
DIESEL	0.660
FUEL COST PER UNIT:	
ELECTRICITY	7.04 CENTS/KWH
NATURAL GAS	\$4.60 BSCF
LP GAS	\$2.00 SCAL
DIESEL	\$2.35 SGAL

FUEL PUMPING COSTS	
ELECTRIC WELL	
COST PER HOUR	\$1.85
COST PER ACRE INCH	\$0.83
NATURAL GAS WELL	
COST PER HOUR	\$1.10
COST PER ACRE INCH	\$0.55
LP GAS WELL	
COST PER HOUR	\$0.94
COST PER ACRE INCH	\$0.49
DIESEL WELL	
COST PER HOUR	\$3.82
COST PER ACRE INCH	\$1.97

TABLE 5. Equipment summary for an 80-acre and new back-irrigated farm, Dry-Cotton area, Union County, Proposed 2017

EQUIPMENT ITEM & SIZE	ANNUAL HOURS OF USE	TOTAL VALUE	VARIABLE COSTS					FIXER COSTS		TOTAL PER HR
			FUEL OIL LBS/ACR	REPAIR PER HR	FUEL OIL PER HR	REPAIR PER HR	DEPRECIATED N	TAXES PER HR		
TRACTOR 40 HP	142	\$3,300	\$1.22	\$154	\$8.79	\$1.08	\$380	\$27	\$340	
MOWER 42	1	\$1,800	\$27				\$130	\$10	\$130	
BALER 42	1	\$1,800	\$6				\$280	\$23	\$280	
RAZE 34	1	\$1,900	\$10				\$195	\$12	\$207	
DISC (BOTTOM)	1	\$1	\$0				\$0	\$0	\$0.00	
DISC (TOP)	1	\$1	\$0				\$0	\$0	\$0.00	
DITCH MAINTENANCE 10 FT	1	\$200	\$0.00				\$200	\$1	\$1.12	
TRUCK 2.5 TON	244	\$13,500	\$3.84	\$328	\$14.93	\$8.33	\$2,700	\$101	\$114.8	
BALL LOADER 244	1	\$2,500	\$56				\$250	\$19	\$11.7	
ELECTRIC WELL 282	1	\$11,000	\$465	\$0	\$1.65	\$0.00	\$500	\$36	\$3.57	
		\$30,000	\$8.30	\$2.30			\$4,905	\$20		

EQUIPMENT LIST												USAGE LIST			
ITEM	NEW VALUE	USED VALUE	YEARS LFS	EQUIP CODE	MAX HOURS	FUEL LBS/HR	LIBE CONV	ACCUM HOURS	INTEREST PER ANNUM	ALFALFA ESTABLISHMENT	ALFALFA GRASS	NATIVE GRASS PER ACRE	IRRIGATE	DITCH MAINTENANCE	
TRACTOR	40 HP	1795.00	7900.00	50.00	1.00	800.00	3.40	0.10	2137.20	15.00	494.31	0.62	2.10	1.40	4.12
MOWER	2600.00	1200.00	20.00	5.00	300.00	0.00	0.00	1113.00	15.00	71.00	0.00	1.11	0.74	1.85	
BALER	2600.00	1200.00	20.00	2.00	300.00	0.00	0.00	794.00	15.00	211.71	0.00	0.83	0.43	1.00	
RAZE	2600.00	1200.00	20.00	2.00	300.00	0.00	0.00	794.00	15.00	85.25	0.00	0.38	0.34	0.60	
DISC (BOTTOM)	7 FT	0.00	0.00	15.00	3.00	300.00	0.00	15.00	17.00	0.00	0.17	0.00	0.00	0.17	
DISC (TOP)	10 FT	0.00	0.00	15.00	3.00	300.00	0.00	15.00	17.00	0.00	0.32	0.00	0.00	0.32	
TRUCK	2.5 TON	2500.00	1300.00	10.00	5.00	800.00	0.05	0.05	2944.00	11.00	742.50	0.00	4.50	1.60	6.10
BALL LOADER	2500.00	1200.00	20.00	3.00	300.00	0.00	0.00	3650.00	15.00	140.25	0.00	1.6	1.0	2.60	
ELECTRIC WELL	282	11000.00	11000.00	25.00	0.00	8742.00	0.00	0.00	4224.27	15.00	632.50	0.00	4.02	3.02	7.04

INTEREST PROPORTION	
NATIVE ALFALFA GRASS	ACCUMULATED
2.15	4.93
0.00	0.72
0.00	2.12
0.00	0.80
0.00	0.00
0.00	0.00
0.00	4.87
0.00	0.02
2.15	21.11

ALFALFA ESTABLISHMENT					PUMP WATER:			
MACHINE	UNIT	OVER	RATE	TOTAL	ACCOMPLISHMENT	TIME	RATE	CUSTOM
DISC	40 HP	1.00	0.20	0.20				
DISC	40 HP	1.00	0.17	0.17				
DITCH MAINTENANCE	40 HP	1.00	0.25	0.25				
IRRIGATE (1X)		1.00	0.50	0.50				

ALFALFA HAY					PUMP WATER:			
MACHINE	UNIT	OVER	RATE	TOTAL	ACCOMPLISHMENT	TIME	RATE	CUSTOM
DITCH MAINTENANCE		8.00	0.50	4.00				
IRRIGATE (8X)		8.00	0.50	4.02				

NATIVE GRASS HAY					PUMP WATER:			
MACHINE	UNIT	OVER	RATE	TOTAL	ACCOMPLISHMENT	TIME	RATE	CUSTOM
MOWER (20)	40 HP	2.00	0.37	0.74				
RAZE (20)	40 HP	2.00	0.12	0.24				
BALER (20)	40 HP	2.00	0.21	0.42				
BALER (20)	1 TON TRU	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	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
50	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
100	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
150	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
200	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
250	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
300	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
350	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
400	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
450	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
500	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
550	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
600	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
650	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
700	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
750	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
800	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
850	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
900	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
950	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000
1000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000	0.00000

- * Based on unpublished data of D. R. Hunt, Department of Agricultural Engineering, University of Illinois
- ** Based on "Agricultural Machinery Data" in Agricultural Engineers Yearbook, 1953.
- Codes
 - 1 tractors
 - 2 balers, combine, forage harrowers, windrowers, sickles
 - 3 rotary hoe, disks, moldboard plows, chisels, field cultivators
 - 4 harrows, weathers. Roll, into back-draw roller, water furrow, bed chaser
 - 5 baler/picker, cotton picker, cotton stripper, corn picker
 - 6 cut heads, rotary equipment, rotary mowers, sickle choppers, weed harvesters, mowers
 - 7 disk, cultiver mowers
 - 8 baler of stubble, rotary spreader
 - 9 harrows, with, weather equipment, mounted secesses
 - 0 ballbar, distributor 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 2017
 Planting dates: August 15 - September 15

ITEM	PRICE	QUANTITY	PURCHASED INPUTS					TOTAL
PURCHASED INPUTS								
SEED	\$3.05	18 LBS	\$54.90					\$54.90
CANAL WATER		5 AC. IN.						
SUBTOTAL			\$54.90					\$54.90
PREHARVEST OPERATIONS								
	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
CHISEL	40 HP	0.20 HR		\$1.71	\$1.76	\$0.22	\$0.60	\$4.28
DISC	40 HP	0.17 HR		\$1.45	\$1.49	\$0.18	\$0.51	\$3.64
DRILL	40 HP	0.25 HR		\$2.14	\$2.20	\$0.27	\$0.75	\$5.35
DITCH MAINTENANCE		0.50 HR		\$4.28				\$4.28
IRRIGATE (1X)		0.75 HR		\$5.63				\$5.63
SUBTOTAL		1.87 HR		\$15.20	\$5.45	\$0.67	\$1.86	\$23.18
OVERHEAD EXPENSES								
DOWNTIME		0.16 HR		\$1.33				\$1.33
EMPLOYEE BENEFITS				\$2.74				\$2.74
INSURANCE			\$0.30					\$0.30
SUPERVISION AND MANAGEMENT				\$6.53				\$6.53
SUBTOTAL		0.16 HR	\$0.30	\$10.59				\$10.89
TOTAL OPERATING EXPENSES		2.03 HR	\$55.20	\$25.79	\$5.45	\$0.67	\$1.86	\$88.97

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 2017
Harvesting dates: May 15 - September 15

ITEM	PRICE	YIELD						TOTAL
GROSS RETURNS								
ALFALFA HAY	\$175.00	6.20 TONS (STACKED)						\$1,085.00
GRAZING	\$15.00	1.00 ACRE						\$15.00
TOTAL							\$1,100.00	
PURCHASED INPUTS								
	PRICE	QUANTITY	PURCHASED INPUTS				FIXED COST	TOTAL
LIVESTOCK FAC & EQUIP ESTABLISHMENT: Principal		10.00 YEARS					\$4.00	\$4.00
: Interest							\$8.90	\$8.90
BALING WIRE	\$1.32	53.13 LBS	\$70.14					\$70.14
CANAL WATER		16.00 AC. IN.	\$5.00					\$5.00
PUMP WATER*		8.00 AC. IN.						
SUBTOTAL			\$75.14				\$15.74	\$90.88
PREHARVEST OPERATIONS								
	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL
DITCH MAINTENANCE		0.50 HR		\$4.28				\$4.28
IRRIGATE (8X)		4.00 HR		\$30.00	\$6.64	\$0.00	\$14.38	\$51.02
SUBTOTAL	4.50 HR			\$34.28	\$6.64	\$0.00	\$14.38	\$55.29
HARVEST OPERATIONS								
MOWER (3X)	40 HP	1.11 HR		\$9.49	\$9.76	\$1.60	\$5.42	\$26.27
RAKE (3X)	40 HP	0.36 HR		\$3.08	\$3.16	\$0.54	\$3.58	\$10.37
BALER (3X)	40 HP	0.63 HR		\$5.39	\$5.54	\$0.78	\$8.10	\$19.80
HAUL (3X)	1 TON TRUCK	4.50 HR		\$38.48	\$67.18	\$37.46	\$56.72	\$199.83
SUBTOTAL	6.60 HR			\$56.43	\$85.63	\$40.38	\$73.82	\$256.27
OVERHEAD EXPENSES								
DOWNTIME		1.65 HR		\$14.11				\$14.11
EMPLOYEE BENEFITS				\$16.33				\$16.33
INSURANCE			\$1.81					\$1.81
LAND TAXES							\$0.20	\$0.20
SUPERVISION AND MANAGEMENT				\$84.30				\$84.30
OTHER EXPENSES			\$239.61					\$239.61
SUBTOTAL	1.65 HR		\$241.42	\$114.73			\$0.20	\$356.36
TOTAL OPERATING EXPENSES	12.75 HR		\$316.56	\$205.44	\$92.28	\$40.38	\$104.14	\$758.80
NET OPERATING PROFIT								\$341.20
INTEREST ON OPERATING CAPITAL		(\$49.73 @	5.50%)				\$2.74
INTEREST ON EQUIPMENT INVESTMENT								\$2.15
RETURN TO LAND AND RISK								\$336.31

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

BUDGET SUMMARY

GROSS RETURN		\$1,100.00	
VARIABLE OPERATING EXPENSES	\$449.22		
RETURN OVER VARIABLE EXPENSES		\$650.78	(GROSS MARGIN)
FIXED EXPENSES	\$104.14		
NET FARM INCOME		\$546.64	(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$205.44		
NET OPERATING PROFIT		\$341.20	(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$4.89		
RETURN TO LAND AND RISK		\$336.31	

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 2017
Harvesting dates: July 20 - September 15

ITEM	PRICE	YIELD						TOTAL	
GROSS RETURNS									
HAY	\$175.00	1.50 TONS (STACKED)						\$262.50	
GRAZING	\$13.00	1.00 ACRE						\$13.00	
TOTAL								\$275.50	
PURCHASED INPUTS									
	PRICE	QUANTITY	PURCHASED INPUTS				FIXED COST	TOTAL	
LIVESTOCK FAC & EQUIP							\$4.00	\$4.00	
BALING WIRE	\$1.32	13 LBS	\$16.97					\$16.97	
CANAL WATER		12 AC. IN.	\$5.00					\$5.00	
PUMP WATER*		6 AC. IN.							
SUBTOTAL			\$21.97				\$4.00	\$25.97	
PREHARVEST OPERATIONS									
	POWER UNIT	ACCOMPLISHMENT RATE	PURCHASED INPUTS	LABOR	FUEL & LUBE	REPAIRS	FIXED COST	TOTAL	
DITCH MAINTENANCE		0.50 HR		\$4.28				\$4.28	
IRRIGATE (5X)		2.50 HR		\$21.38	\$4.98	\$0.00	\$10.78	\$37.14	
SUBTOTAL			3.00 HR	\$25.65	\$4.98	\$0.00	\$10.78	\$41.41	
HARVEST OPERATIONS									
MOWER (2X)	40 HP	0.74 HR		\$6.33	\$6.50	\$1.07	\$3.62	\$17.51	
RAKE (2X)	40 HP	0.24 HR		\$2.05	\$2.11	\$0.36	\$2.39	\$6.91	
BALER, 1-TON (2X)	40 HP	0.42 HR		\$3.59	\$3.69	\$0.52	\$5.40	\$13.20	
HAUL (2X)	TRUCK	1.60 HR		\$13.68	\$23.89	\$13.32	\$20.17	\$71.05	
SUBTOTAL			3.00 HR	\$0.00	\$25.65	\$36.19	\$15.27	\$31.57	\$108.67
OVERHEAD EXPENSES									
DOWNTIME		0.75 HR		\$6.41				\$6.41	
EMPLOYEE BENEFITS				\$9.23				\$9.23	
INSURANCE			\$1.03					\$1.03	
LAND TAXES							\$0.20	\$0.20	
SUPERVISION AND MANAGEMENT				\$20.79				\$20.79	
OTHER EXPENSES			\$239.61					\$239.61	
SUBTOTAL			0.75 HR	\$240.64	\$36.43		\$0.20	\$277.27	
TOTAL OPERATING EXPENSES			3.75 HR	\$262.60	\$87.73	\$41.17	\$15.27	\$453.33	
NET OPERATING PROFIT								(\$177.83)	
INTEREST ON OPERATING CAPITAL		(\$16.52 @ 5.50%)						\$0.91	
INTEREST ON EQUIPMENT INVESTMENT								\$21.11	
RETURN TO LAND AND RISK								(\$199.84)	

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

BUDGET SUMMARY

GROSS RETURN		\$275.50	
VARIABLE OPERATING EXPENSES	\$319.04		
RETURN OVER VARIABLE EXPENSES		(\$43.54)	(GROSS MARGIN)
FIXED EXPENSES	\$46.55		
NET FARM INCOME		(\$90.10)	(RETURN TO CAPITAL, LABOR, LAND & RISK)
LABOR AND MANAGEMENT COST	\$87.73		
NET OPERATING PROFIT		(\$177.83)	(RETURN TO CAPITAL, LAND & RISK)
CAPITAL COSTS	\$22.02		
RETURN TO LAND AND RISK		(\$199.84)	

TABLE 9. Summary of per acre costs and returns for an 80 acre part-time farm, Dry Cimarron area, Union County, Projected 2017

	ALFALFA ESTABLISHMENT	ALFALFA HAY	NATIVE GRASS HAY
		TONS	TONS
PRIMARY YIELD		6.20	1.50
PRIMARY PRICE		\$175.00	\$175.00
GOVERNMENT PAYMENTS		\$0.00	\$0.00
SECOND INCOME		\$15.00	\$13.00
GROSS RETURN		\$1,100.00	\$275.50
CASH OPERATING EXPENSES			
SEED	\$54.90		
FERTILIZER			
CHEMICALS			
CROP INSURANCE			
OTHER PURCHASED INPUTS		\$70.14	\$16.97
CANAL WATER		\$5.00	\$5.00
FUEL, OIL & LUBRICANTS-EQUIPMENT	\$5.45	\$85.63	\$36.19
FUEL-IRRIGATION		\$6.64	\$4.98
REPAIRS	\$0.67	\$40.38	\$15.27
CUSTOM CHARGES			
LAND TAXES		\$0.20	\$0.20
OTHER EXPENSES	\$0.30	\$241.42	\$240.64
TOTAL CASH EXPENSES	\$61.32	\$449.42	\$319.25
RETURN OVER CASH EXPENSES	(\$61.32)	\$650.58	(\$43.75)
FIXED EXPENSES	\$1.86	\$103.94	\$46.35
TOTAL EXPENSES	\$63.18	\$553.36	\$365.60
NET FARM INCOME	(\$63.18)	\$546.64	(\$90.10)
LABOR AND MANAGEMENT COSTS	\$25.79	\$205.44	\$87.73
NET OPERATING PROFIT	(\$88.97)	\$341.20	(\$177.83)
CAPITAL COSTS			
INTEREST ON OPERATING CAPITAL		\$2.74	\$0.91
INTEREST ON EQUIPMENT INVESTMENT		\$2.15	\$21.11
TOTAL CAPITAL COSTS	\$0.00	\$4.89	\$22.02
RETURN TO LAND AND RISK	(\$88.97)	\$336.31	(\$199.84)

TABLE 10. Whole farm summary, Union County,
Projected 2017

GROSS RETURNS		
ALFALFA HAY	40 ACRES	
CROP		\$43,400
GRAZING		\$600
NATIVE GRASS HAY	40 ACRES	
CROP		\$10,500
GRAZING		\$520
GROSS RETURN		<u>\$55,020</u>
CASH OPERATING EXPENSES		
SEED		\$220
FERTILIZER		\$0
CHEMICALS		\$0
CROP INSURANCE		\$0
OTHER PURCHASED INPUTS		\$3,484
CANAL WATER		\$400
FUEL, OIL & LUBRICANTS-EQUIPMENT		\$4,895
FUEL-IRRIGATION		\$465
REPAIRS		\$2,229
CUSTOM CHARGES		\$0
LAND TAXES		\$16
OTHER EXPENSES		\$19,284
TOTAL CASH EXPENSES		<u>\$30,992</u>
RETURN OVER CASH EXPENSES		\$24,028
FIXED EXPENSES		\$5,663
TOTAL EXPENSES		\$36,655
NET FARM INCOME		\$18,365
LABOR AND MANAGEMENT COSTS		\$11,830
NET OPERATING PROFIT		\$6,535
CAPITAL COSTS		
INTEREST ON OPERATING CAPITAL		\$146
INTEREST ON EQUIPMENT INVESTMENT		\$930
TOTAL CAPITAL COSTS		<u>\$1,076</u>
RETURN TO LAND AND RISK		<u>\$5,459</u>

LAND VALUE	RETURN TO RISK*	RETURN ON INVESTMENT**
\$200 /ACRE	\$4,979	11.88%
\$350 /ACRE	\$4,619	9.75%
\$500 /ACRE	\$4,259	8.27%

* 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)