

Table 4A. Income and Cash Operating Summary; Alfalfa Hay, 1998

COUNTY: Greenlee FARM: Greenlee County 98 WATER SOURCE: Duncan East, Nat Gas TILLAGE: Conventional
 CROP: Alfalfa Hay ACRES: 1.0 IRRIGATION SYSTEM: Flood Basin SOIL: Sandy-Loam
 AREA: Duncan Valley YIELD: 9.5 Tn / Acre PREVIOUS CROP: Cotton, Upland DATE: 2/4/99

Item	Unit	Quantity	Price/ Unit	Budgeted /Acre	Total /Acre	Your Farm Budget	
INCOME	Hay	Ton	9.50	\$96.70	\$918.65	\$918.65	_____
CASH LAND PREPARATION AND GROWING EXPENSES (including sales tax)							
Paid Labor (including benefits)					35.34	_____	
Tractor/Self Propelled				1.92		_____	
Irrigation				33.43		_____	
Chemicals and Custom Applications					39.98	_____	
Fertilizer				29.96		_____	
Insecticide				10.02		_____	
Farm Machinery and Vehicles					1.70	_____	
Diesel Fuel				0.79		_____	
Repairs and Maintenance				0.91		_____	
Irrigation Water (excluding labor)					78.63	_____	
Natural Gas/Pumping				69.57		_____	
Repairs and Maintenance				9.05		_____	
TOTAL CASH LAND PREPARATION AND GROWING EXPENSES					155.64	_____	
CASH HARVEST AND POST HARVEST EXPENSES							
Paid Labor (including benefits)					38.47	_____	
Tractor/Self Propelled				12.28		_____	
Other/Contract				26.19		_____	
Farm Machinery and Vehicles					193.44	_____	
Diesel Fuel				15.24		_____	
Repairs and Maintenance				178.20		_____	
Other Materials					22.46	_____	
TOTAL HARVEST AND POST HARVEST EXPENSE					254.37	_____	
OPERATING OVERHEAD PICKUP USE					10.09	_____	
OPERATING INTEREST AT 10.0%					24.07	_____	
TOTAL CASH OPERATING EXPENSES					\$444.18	_____	
RETURNS OVER CASH OPERATING EXPENSES					\$474.47	_____	

Notes: The above figures do not include ownership costs, see table B for detailed cost allocation.

Table 4B. Allocations of Ownership Costs; Alfalfa Hay, 1998

COUNTY: Greenlee FARM: Greenlee County 98 WATER SOURCE: Duncan East, Nat Gas TILLAGE: Conventional
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Item	-- CASH COST BASIS (\$/ACRE) --		-- TOTAL COST BASIS (\$/ACRE) --	
	Income and Costs	Net Returns	Income and Costs	Net Returns
TOTAL INCOME at \$96.70 / Tn	\$918.65		\$918.65	
TOTAL OPERATING EXPENSES	\$444.18		\$444.18	
RETURN OVER CASH OPERATING EXPENSES		\$474.47		\$474.47
CASH OVERHEAD EXPENSES				
Taxes, Housing and Insurance, Farm Machinery	13.40		13.40	
Wells and Irrigation System	5.37		5.37	
General and Office Overhead (5.0% of Total Operating Exp.)	22.21		22.21	
General Farm Maintenance (3.0% of Total Operating Exp.)	13.33		13.33	
Total Cash Overhead Expenses	54.31		54.31	
Total Cash Operating and Overhead Cost	498.49		498.49	
RETURNS OVER CASH OPER. AND OVER. EXPENSES		\$420.16		\$420.16
CAPITAL ALLOCATIONS (100% Equity)				
Capital Replacement, Machinery and Vehicles			89.72	
Wells and Irrigation System			55.23	
Interest on Equity, Machinery and Vehicles			7.14	
Wells and Irrigation System			14.19	
Stand Establishment (3 year crop)	91.01		91.01	
Total Capital Allocations	91.01		257.30	
RETURNS TO LAND, CAPITAL, MANAGEMENT AND RISK ----->		\$329.14		
RETURNS TO LAND, MANAGEMENT AND RISK ----->				\$162.86
Land Cost / Ownership (100% Equity)				
Property Taxes (\$400.00 X 16.0% X 0.084)	5.44		5.44	
Opportunity Interest on Land (100% X 6.0 X \$400.00)			24.00	
Total Land Costs	5.44		29.44	
RETURNS TO CAPITAL, MANAGEMENT AND RISK ----->		\$323.71		
RETURNS TO MANAGEMENT AND RISK ----->				\$133.42
Management Services (8% of Total Operation Expenses)			35.53	
TOTAL OWNERSHIP COST	150.76		376.58	
TOTAL COST	\$594.94		\$820.76	
RETURNS TO CAPITAL, MANAGEMENT AND RISK ----->		\$323.71		
RETURNS TO RISK (PROFITS) ----->				\$97.89
BREAK-EVEN PRICE TO COVER OPERATING COST (PER Lb)		\$46.76		\$46.76
BREAK-EVEN PRICE TO COVER OWNERSHIP COST		\$15.87		\$39.64
BREAK-EVEN PRICE TO COVER TOTAL COST		\$62.63		\$86.40

Table 4C. Variable Operating Costs; Alfalfa Hay, 1998

COUNTY:Greenlee FARM: Greenlee County 98 WATER SOURCE: Duncan East, Nat Gas TILLAGE: Conventional
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 AREA: Duncan Valley YIELD: 9.5 Tn / Acre PREVIOUS CROP: Cotton, Upland DATE: 2/4/99

No.	First Month	Operation	---- Hours * ----		---- Operating Costs (\$/ACRE *) Per Operation ----				Times	Tot. Cash Expenses	Class
			Machine	Labor	Fuel/Rps.	Labor Cust/Serv.	Materials	Total			
1	Mar	Apply Fert/Ground	0.060	0.067	0.45	0.55		29.96	30.96	1.0	G
2	Mar	Irrigate		0.314	6.05	2.57			8.62	13.0	G
3	Apr	Apply Insect./Ground	0.150	0.167	1.25	1.37		10.02	12.63	1.0	G
4	May	Swathing	0.180	0.200	2.67	1.64			4.30	6.0	H
5	May	Baling	0.225	0.250	3.32	2.05		3.74	9.11	6.0	H
6	May	Roadsiding	0.300	0.333	26.25	2.73			28.98	6.0	H
		Pickup Use40 Mi/Acre	1.333		10.09						
		Operating Interest at 10.0					24.07				
TOTAL CASH OPERATING EXPENSES (includes all times over):									=====	444.18	T

*NOTES: Machine and labor hours and operating cost are for one time over the designated acreage. The "Tot. Cash Expense" column and the "TOTAL CASH OPERATING EXPENSES" row include all operations, all times over. Classes are defined below.

OPERATING COST SUMMARY BY CLASS

Land Preparation (L)	0.00
Growing (G)	155.64
Harvest (H)	254.37
Post Harvest (P)	0.00
Marketing (M)	0.00
Operating Overhead (O)	34.16
	=====
Total (T)	\$444.18

SENSITIVITY OF THE NET REVENUES OVER TOTAL CASH EXPENSES (\$/ACRE)

Prices	- 25%	- 10%	Budgeted	+ 10%	+ 25%	Break-even Price
Yields	\$72.52	\$87.03	\$96.70	\$106.37	\$120.88	
- 25%	7.1	141.78	245.13	314.02	382.92	486.27
- 10%	8.6	206.97	330.99	413.67	496.34	620.36
Budgeted	9.5	250.43	388.23	480.09	571.96	709.76
+ 10%	10.4	293.89	445.47	546.52	647.57	799.15
+ 25%	11.9	359.09	531.33	646.16	761.00	933.24
Break-even Yield		4.03	3.06	2.63	2.31	1.96

Table 4D. Resource and Cash Flow Requirements; Alfalfa Hay, 1998

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Month *	Number Irrigations	Water Applied (inches)	Total Labor (Hrs)	Operating Costs (\$/ACRE *)							
				Purchased Water	Fuel, Oil and Repairs	Labor	Chemicals	Other Purchases	Services	Total	
MAR C	1.0	6.0	0.38		6.50	3.12	29.96				39.58
APR C	2.0	12.0	1.58		45.58	12.92	10.02	3.74			72.26
MAY C	2.0	12.0	1.41		44.34	11.55		3.74			59.63
JUN C	2.0	12.0	1.41		44.34	11.55		3.74			59.63
JUL C	2.0	12.0	1.41		44.34	11.55		3.74			59.63
AUG C	2.0	12.0	1.41		44.34	11.55		3.74			59.63
SEP C	2.0	12.0	1.41		44.34	11.55		3.74			59.63
Pickup Use40 Mi/Acre					10.09						10.09
Operating Interest at 10.0									24.07		24.07
Total	13.0	78.0	9.01		283.86	73.81	39.98	22.46	24.07		444.18
%					63.91	16.62	9.00	5.06	5.42		100.00

TOTAL RESOURCE REQUIREMENTS (per Acre)		TOTAL ENERGY REQUIREMENTS (per Acre)	
Total N	22.0	Diesel Fuel	21.0 Gal
Total P	104.0	Unleaded Gas	4.0 Gal
Total K	0.0	Nat Gas/Pumping	168.5 Therms
Total Labor	9.0	All Direct Energy	20.3 M BTU
Total Water	78.0		

EQUIPMENT REQUIREMENTS (per Acre)			
Bale Wagon, SP PRC	1.80 Hr	Baler, 2 Wire Auto PTO	1.35 Hr
Pickup Truck, 1/2 Ton	1.33 Hr	Saddle Tk Sprayer, 2 Tk 8	0.15 Hr
Windrower, 14.0', HS, SC	1.08 Hr	Fertilizer Broadcaster, Tractor, 100 PTO HP,	0.06 Hr
			1.56 Hr

MATERIALS REQUIREMENT (per Acre)			
11-52-00, Dry	200.00 Lb	Baling Twine (6500')	3.24 TF
Water, Pump	78.00 AI	Carbofuran	1.00 Pt

LABOR REQUIREMENT (per Acre)			
Harvest	3.20 Hr	Irrigators	4.08 Hr
		Tractor	1.73 Hr

*NOTE: P = Previous Year C = Current Year N = Next Year

Table 4E. Schedule of Operations; Alfalfa Hay, 1998

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No.	Month	Times	Operation	Equipment/ Custom Oper		Job Rate	----- Name	Material Use and Cost			----- \$ / Unit	Service Cost \$ / Unit	Labor Type
				HP	Self-Prop./ Implement			Acres/Hr	Appl. Rate	\$ / Unit			
1	Mar	1.0	Apply Fert/Ground	100	Fertilizer Broadcaster,	15.00	11-52-00, Dry	200.00	Lb	284.00	Tn	Tractor	
2	Mar	13.0	Irrigate			3.18	Water, Pump	6.00	Al	12.10	AF	Irrigators	
3	Apr	1.0	Apply Insect./Ground	100	Saddle Tk Sprayer, 2 Tk 8	6.00	Carbofuran	1.00	Pt	75.95	Ga	Tractor	
4	May	6.0	Swathing		Windrower, 14.0', HS, SC	5.00						Harvest	
5	May	6.0	Baling	100	Baler, 2 Wire Auto PTO	4.00	Baling Twine (6500')	0.54	TF	6.57	TF	Tractor	
6	May	6.0	Roadsiding		Bale Wagon, SP PRC	3.00						Harvest	
			Pickup use 40 Mi/Ac		Pickup Truck, 1/2 Ton	0.75							

*NOTES: Machine times, labor times, and material rates are for one time over the designated acreage.

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