

Table 6A. Income and Cash Operating Cost Summary, Alfalfa Green Chop, 1996

COUNTY: Pinal FARM: Pinal County Farm WATER SOURCE: CAID TILLAGE: Conventional
 CROP: Alfalfa Hay ACRES: 1.0 IRRIGATION SYSTEM: Flood Basin SOIL: Sandy-Loam
 AREA: Maricopa YIELD: 7.4 Tn/Acre PREVIOUS CROP: Alfalfa Hay DATE: 10/08/96

| Item | Unit | Quantity | Price /Unit | Budgeted /Acre | Total /Acre | Your Farm Budget |
|--|------|----------|-------------|----------------|-------------|------------------|
| INCOME -> Hay | Ton | 7.40 | \$75.0000 | \$555.00 | \$580.00 | _____ |
| CASH LAND PREPARATION AND GROWING EXPENSES (including sales tax) | | | | | | |
| Paid Labor (including benefits) | | | | | 62.90 | _____ |
| Tractor/Self Propelled | | | | 0.38 | | _____ |
| Irrigation | | | | 62.52 | | _____ |
| Chemicals & Custom Applications | | | | | 14.38 | _____ |
| Herbicides | | | | 14.38 | | _____ |
| Farm Machinery and Vehicles | | | | | 8.61 | _____ |
| Diesel Fuel | | | | 5.05 | | _____ |
| Repairs & Maint. | | | | 3.56 | | _____ |
| Irrigation Water (excluding labor) | | | | | 250.13 | _____ |
| Water Assessment (See Note Below) ** | | | | | ** | _____ |
| Other Purchased Inputs & Services | | | | | 5.51 | _____ |
| Seed/Transplants | | | | 5.51 | | _____ |
| TOTAL CASH LAND PREPARATION AND GROWING EXPENSES | | | | | 341.53 | _____ |
| CASH HARVEST AND POST HARVEST EXPENSES | | | | | | |
| TOTAL HARVEST AND POST HARVEST EXPENSE | | | | | 0.00 | _____ |
| OPERATING OVERHEAD->PICKUP USE | | | | | 10.25 | _____ |
| OPERATING INTEREST AT 8.0% | | | | | 0.17 | _____ |
| TOTAL CASH OPERATING EXPENSES | | | | | \$351.95 | ===== |
| RETURNS OVER CASH OPERATING EXPENSES | | | | | \$228.05 | ===== |

Notes: The above figures do not include ownership costs, see Table 6B on Next Page for detailed cost allocation.

** A water assessment charge of \$18.75/Acre is included in the ownership costs of Table 6B.

Table 6B. Allocation of Ownership Costs; Alfalfa Green Chop, 1996

| | | | |
|-------------------|-------------------------|--------------------------------|-----------------------|
| COUNTY: Pinal | FARM: Pinal County Farm | WATER SOURCE: CAID | TILLAGE: Conventional |
| CROP: Alfalfa Hay | ACRES: 1.0 | IRRIGATION SYSTEM: Flood Basin | SOIL: Sandy-Loam |
| AREA: Maricopa | YIELD: 7.4 Tn/Acre | PREVIOUS CROP: Alfalfa Hay | DATE: 10/08/96 |

| Item | - CASH COST BASIS (\$/ACRE) - Income & Costs Net Returns | - TOTAL COST BASIS (\$/ACRE) - Income & Costs Net Returns |
|---|--|---|
| TOTAL INCOME at \$ 75.0000/Tn + 2nd Crop | \$580.00 | \$580.00 |
| TOTAL OPERATING EXPENSES | 351.95 | 351.95 |
| RETURN OVER CASH OPERATING EXPENSES | | \$228.04 |
| CASH OVERHEAD EXPENSES | | |
| Taxes, Housing & Insur., Farm Machinery | 0.78 | 0.78 |
| Gen. & Off. Overhead (5% of Tot. Oper. Exp.) | 17.59 | 17.59 |
| General Farm Maint. (3% of Tot. Oper. Exp.) | 10.56 | 10.56 |
| Total Cash Overhead Expenses | 28.93 | 28.93 |
| Total Cash Oper. & Over. Cost | 380.88 | 380.88 |
| RETURNS OVER CASH OPER. & OVER. EXPENSES. | | 199.11 |
| CAPITAL ALLOCATIONS (100% Equity) | | |
| Capital Replacement, Machinery & Vehicles | | 3.90 |
| Interest on Equity, Machinery & Vehicles | | 1.94 |
| Stand Establishment (3 Year Crop) | 143.97 | 143.97 |
| Total Capital Allocations | 143.97 | 149.81 |
| RETURNS TO LAND, CAPITAL, MANAGEMENT & RISK | 55.14 | 49.30 |
| RETURNS TO LAND, MANAGEMENT & RISK | | |
| LAND COSTS / OWNERSHIP (100% Equity) | | |
| Property Taxes (\$372 X 16% X .16455) | 9.79 | 9.79 |
| Opport. Inter. on Land (100% X 6.0% X \$372) | | 22.32 |
| Water Assessment ** | 18.75 | 18.75 |
| Total Land Costs | 28.54 | 50.86 |
| RETURNS TO MANAGEMENT, CAPITAL & RISK | 26.59 | 1.56 |
| RETURNS TO MANAGEMENT & RISK | | |
| Management Services (8% of Tot. Oper. Exp.) | | 28.15 |
| TOTAL OWNERSHIP COST | 201.45 | 257.76 |
| TOTAL COST | \$553.40 | \$609.71 |
| RETURN TO MANAGEMENT, CAPITAL & RISK | \$26.59 | \$29.71 |
| RETURN TO RISK (PROFITS) | | |
| BREAK-EVEN PRICE TO COVER OPERATING COST (PER Tn) | \$44.18 | \$44.18 |
| BREAK-EVEN PRICE TO COVER OWNERSHIP COST | \$27.22 | \$34.83 |
| BREAK-EVEN PRICE TO COVER TOTAL COST | \$71.40 | \$79.01 |

Table 6C. Variable Operating Costs; Alfalfa Green Chop, 1996

COUNTY: Pinal FARM: Pinal County Farm WATER SOURCE: CAID TILLAGE: Conventional
 CROP: Alfalfa Hay ACRES: 1.0 IRRIGATION SYSTEM: Flood Basin SOIL: Sandy-Loam
 AREA: Maricopa YIELD: 7.4 Tn/Acre PREVIOUS CROP: Alfalfa Hay DATE: 10/08/96

| No. | First Month | Operation | — Hours * — | | Operating Costs (\$/Acre*) | | | | Total | Times | Tot. Cash | |
|--------------------------------|-------------|-----------------------------|-------------|-------|----------------------------|---------|-----------|-----------|-------|-------|-----------|-------|
| | | | Machine | Labor | Fuel/Rps. | Labor | Cust/Ser. | Materials | | | Expense | Class |
| 1 | Feb | Irrigate | | 0.455 | | 3.19 | | 15.83 | 19.02 | 8.0 | 152.16 | G |
| 2 | Mar | Irrigate/Run Herbicide | | 0.455 | | 3.19 | | 20.62 | 23.81 | 3.0 | 71.43 | G |
| 3 | Feb | Rerun Borders | 0.500 | 0.556 | 2.76 | 3.90 | | | 6.66 | 3.0 | 19.98 | G |
| 4 | Jun | Irrigate | | 0.562 | | 3.94 | | 19.00 | 22.94 | 4.0 | 91.76 | G |
| 5 | Oct | Renovate | 0.180 | 0.200 | 1.16 | 1.68 | | | 2.84 | 0.1 | 0.28 | G |
| 6 | Oct | Plant | 0.225 | 0.250 | 2.15 | 2.10 | | 55.13 | 59.38 | 0.1 | 5.94 | L |
| | | Pickup Use 40 Mi/Ac | 1.330 | | 10.25 | | | | | | 10.25 | O |
| | | Operating Interest at 8.00% | | | | | | 0.17 | | | 0.17 | O |
| TOTAL CASH OPERATING EXPENSES: | | | | | \$18.86 | \$62.93 | \$0.17 | \$270.01 | | | \$351.97 | 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. A water assessment charge of \$18.75/Acre included as ownership cost in Table 6B.

| OPERATING COST SUMMARY BY CLASS | | SENSITIVITY OF NET REVENUES OVER TOTAL CASH EXPENSES (\$/Acre) | | | | | | | |
|---------------------------------|----------|--|-----|---------|---------|----------|---------|---------|------------|
| | | Prices -> | | -25% | -10% | Budgeted | +10% | +25% | |
| Land Preparation (L) | \$5.93 | | | | | | | | |
| Growing (G) | 335.61 | | | | | | | | |
| Harvest (H) | 0.00 | Yields | | \$56.25 | \$67.50 | \$75.00 | \$82.50 | \$93.75 | Break-even |
| Post Harvest (P) | 0.00 | | | | | | | | |
| Marketing (M) | 0.00 | -25% | 5.5 | -39.78 | 22.65 | 64.27 | 105.90 | 168.33 | 63.41 |
| Operating Overhead (O) | 10.42 | -10% | 6.6 | 22.65 | 97.57 | 147.52 | 197.47 | 272.40 | 52.84 |
| | | Budgeted | 7.4 | 64.27 | 147.52 | 203.02 | 258.52 | 341.77 | 47.56 |
| Total (T) | \$351.97 | +10% | 8.1 | 105.90 | 197.47 | 258.52 | 319.57 | 411.15 | 43.24 |
| | | +25% | 9.2 | 168.33 | 272.40 | 341.77 | 411.15 | 515.21 | 38.05 |
| | | Break-even Yield | | 6.25 | 5.21 | 4.69 | 4.26 | 3.75 | |

Table 6D. Resource and Cash Flow Requirements; Alfalfa Green Chop, 1996

COUNTY: Pinal FARM: Pinal County Farm WATER SOURCE: CAID TILLAGE: Conventional
 CROP: Alfalfa Hay ACRES: 1.0 IRRIGATION SYSTEM: Flood Basin SOIL: Sandy-Loam
 AREA: Maricopa YIELD: 7.4 Tn/Acre PREVIOUS CROP: Alfalfa Hay DATE: 10/08/96

| Month * | Number Irrig. | Water Applied (Inches) | Total Labor (Hrs) | Operating Cost (\$/Acre) | | | | | | Total |
|----------------------------|---------------|------------------------|-------------------|--------------------------|---------------------|--------------|--------------|-----------------|-------------|---------------|
| | | | | Purchased Water | Fuel, Oil & Repairs | Labor | Chemicals | Other Purchases | Services | |
| FEB C | 1.0 | 5.0 | 1.01 | 15.83 | 2.76 | 7.09 | | | | 25.68 |
| MAR C | 1.0 | 5.0 | 0.45 | 15.83 | | 3.19 | 4.79 | | | 23.81 |
| APR C | 2.0 | 10.0 | 0.91 | 31.66 | | 6.38 | | | | 38.04 |
| MAY C | 3.0 | 15.0 | 1.36 | 47.49 | | 9.57 | 4.79 | | | 61.85 |
| JUN C | 2.0 | 12.0 | 1.68 | 38.00 | 2.76 | 11.77 | | | | 52.53 |
| JUL C | 2.0 | 11.0 | 1.01 | 34.83 | | 7.13 | 4.79 | | | 46.75 |
| AUG C | 1.0 | 6.0 | 0.56 | 19.00 | | 3.94 | | | | 22.94 |
| SEP C | 1.0 | 5.0 | 1.01 | 15.83 | 2.76 | 7.09 | | | | 25.68 |
| OCT C | 1.0 | 5.0 | 0.50 | 15.83 | 0.33 | 3.57 | | 5.51 | | 25.24 |
| NOV C | 1.0 | 5.0 | 0.45 | 15.83 | | 3.19 | | | | 19.02 |
| Pickup Use 40 Mi/Ac | | | | | 10.25 | | | | | 10.25 |
| Operating Interest at 8.0% | | | | | | | | | 0.17 | 0.17 |
| Water Assessment | | | | ** | | | | | | |
| Total | 15.0 | 79.0 | 8.96 | 250.13 | 18.86 | 62.90 | 14.37 | 5.51 | 0.17 | 351.95 |
| % | | | | 71.07 | 5.35 | 17.87 | 4.08 | 1.56 | 0.04 | 100.00 |

| TOTAL RESOURCES REQUIREMENTS (/Acre) | | TOTAL ENERGY REQUIREMENTS (/Acre) | |
|--------------------------------------|---------|-----------------------------------|-----------|
| Total N | 0.0 lbs | Diesel Fuel | 5.3 Gal |
| Total P | 0.0 lbs | Regular Gas | 0.0 Gal |
| Total K | 0.0 lbs | NonLead Gas | 4.0 Gal |
| Total Labor | 8.9 Hrs | | |
| Total Water | 79.0 AI | All Direct Energy | 1.2 M BTU |

| EQUIPMENT REQUIREMENTS (/Acre) | | | |
|--------------------------------|----------|--------------------------|----------|
| Tractor, 70 PTO HP, MFWD | 1.52 Hrs | Border Disk, 6' Disk | 1.50 Hrs |
| Spring Tooth Renovator, 16' | 0.02 Hrs | Grain Drill, 16' | 0.02 Hrs |
| | | Tractor, 50 PTO HP, MFWD | 0.02 Hrs |
| | | Pickup Truck, 1/2 Ton | 1.33 Hrs |

| MATERIALS REQUIREMENTS (/Acre) | | | |
|--------------------------------|----------|------|------------------|
| Water, District | 79.00 AI | EPTC | 4.20 Pt |
| | | | Alfalfa Sd, Cert |
| | | | 2.50 Lb |

| LABOR REQUIREMENTS (/Acre) | | | |
|----------------------------|----------|---------|----------|
| Irrigators | 8.92 Hrs | Tractor | 0.05 Hrs |

* NOTE: P = Previous Year C = Current Year N = Next Year
 ** A water assessment charge of \$18.75/Acre included as ownership cost in Table 6B.

Table 6E. Schedule of Operations; Alfalfa Green Chop, 1996

| | | | |
|-------------------|-------------------------|--------------------------------|-----------------------|
| COUNTY: Pinal | FARM: Pinal County Farm | WATER SOURCE: CAID | TILLAGE: Conventional |
| CROP: Alfalfa Hay | ACRES: 1.0 | IRRIGATION SYSTEM: Flood Basin | SOIL: Sandy-Loam |
| AREA: Maricopa | YIELD: 7.4 Tn/Acre | PREVIOUS CROP: Alfalfa Hay | DATE: 10/08/96 |

| No. | Month | First Times | Operation | Equipment/Custom Oper. | | Job Rate Acres/Hr | Material Use & Cost | | | Service Cost \$/Unit | Labor Type |
|-----|-------|-------------|------------------------|------------------------|-------------------------|----------------------|---------------------|------------|-----------|-------------------------|---------------|
| | | | | HP | Self-Prop./Implem. | | Name | Appl. Rate | \$/Unit | | |
| 1 | Feb | 8.0 | Irrigate | | | 2.20 | Water, District | 5.00 AI | 38.00 AF | Irrigator | |
| 2 | Mar | 3.0 | Irrigate/Run Herbicide | | | 2.20 | Water, District | 5.00 AI | 38.00 AF | Irrigator | |
| | | | | | | | EPTC | 1.40 Pt | 26.08 Ga | | |
| 3 | Feb | 3.0 | Rerun Borders | 70 | Border Disk, 6' Disk | 1.80 | | | | Irrigator | |
| 4 | Jun | 4.0 | Irrigate | | | 1.78 | Water, District | 6.00 AI | 38.00 AF | Irrigator | |
| 5 | Oct | 0.1 | Renovate | 50 | Spring Tooth Renovator, | 5.00 | | | | Tractor | |
| 6 | Oct | 0.1 | Plant | 70 | Grain Drill, 16' | 4.00 | Alfalfa Sd, Cert | 25.00 Lb | 210.00 CW | Tractor | |
| | | | Pickup Use 40 Mi/Ac | | Pickup Truck, 1/2 Ton | 0.75 | | | | | |

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

** A water assessment charge of \$18.75/Acre included as ownership cost in Table 6B.

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