

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

COUNTY: Cochise FARM: Cochise County 98 WATER SOURCE: Ks Settlement, NG TILLAGE: Conventional
 CROP: Alfalfa Hay ACRES: 1.0 IRRIGATION SYSTEM: Flood Basin SOIL: Sandy-Loam
 AREA: Kansas Settlement YIELD: 5.9 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	5.90	\$96.70	\$570.53	\$570.53	_____
CASH LAND PREPARATION AND GROWING EXPENSES (including sales tax)							
Paid Labor (including benefits)					32.52	32.52	_____
Irrigation					32.52		_____
Irrigation Water (excluding labor)						238.54	_____
Natural Gas/Pumping				203.81			_____
Repairs and Maintenance				34.73			_____
TOTAL CASH LAND PREPARATION AND GROWING EXPENSES					271.05		_____
CASH HARVEST AND POST HARVEST EXPENSES							
Paid Labor (including benefits)						23.10	_____
Tractor/Self Propelled				12.69			_____
Other/Contract				10.41			_____
Farm Machinery and Vehicles						66.44	_____
Diesel Fuel				9.29			_____
Repairs and Maintenance				57.15			_____
Other Materials						16.98	_____
TOTAL HARVEST AND POST HARVEST EXPENSE					106.53		_____
OPERATING OVERHEAD	PICKUP USE					10.30	_____
OPERATING INTEREST AT 10.0%						23.93	_____
TOTAL CASH OPERATING EXPENSES						\$411.81	_____
RETURNS OVER CASH OPERATING EXPENSES						\$158.72	_____

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: Cochise FARM: Cochise County 98 WATER SOURCE: Ks Settlement, NG 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	\$570.53		\$570.53	
TOTAL OPERATING EXPENSES	\$411.81		\$411.81	
RETURN OVER CASH OPERATING EXPENSES		\$158.72		\$158.72
CASH OVERHEAD EXPENSES				
Taxes, Housing and Insurance, Farm Machinery	5.82		5.82	
Wells and Irrigation System	20.47		20.47	
General and Office Overhead (5.0% of Total Operating Exp.)	20.59		20.59	
General Farm Maintenance (3.0% of Total Operating Exp.)	12.35		12.35	
Total Cash Overhead Expenses	59.24		59.24	
Total Cash Operating and Overhead Cost	471.05		471.05	
RETURNS OVER CASH OPER. AND OVER. EXPENSES		\$99.48		\$99.48
CAPITAL ALLOCATIONS (100% Equity)				
Capital Replacement, Machinery and Vehicles			38.23	
Wells and Irrigation System			76.22	
Interest on Equity, Machinery and Vehicles			3.49	
Wells and Irrigation System			38.86	
Stand Establishment (3 year crop)	103.96		103.96	
Total Capital Allocations	103.96		260.77	
RETURNS TO LAND, CAPITAL, MANAGEMENT AND RISK ----->		(\$4.48)		
RETURNS TO LAND, MANAGEMENT AND RISK ----->				(\$161.29)
Land Cost / Ownership (100% Equity)				
Property Taxes (\$368.00 X 16.0% X 0.144)	8.54		8.54	
Opportunity Interest on Land (100% X 6.0 X \$368.00)			22.08	
Total Land Costs	8.54		30.62	
RETURNS TO CAPITAL, MANAGEMENT AND RISK ----->		(\$13.02)		
RETURNS TO MANAGEMENT AND RISK ----->				(\$191.91)
Management Services (8% of Total Operation Expenses)			32.94	
TOTAL OWNERSHIP COST	171.74		383.57	
TOTAL COST	\$583.55		\$795.38	
RETURNS TO CAPITAL, MANAGEMENT AND RISK ----->		(\$13.02)		
RETURNS TO RISK (PROFITS) ----->				(\$224.85)
BREAK-EVEN PRICE TO COVER OPERATING COST (PER Lb)		\$69.80		\$69.80
BREAK-EVEN PRICE TO COVER OWNERSHIP COST		\$29.11		\$65.01
BREAK-EVEN PRICE TO COVER TOTAL COST		\$98.91		\$134.81

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

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No.	First Month	Operation	---- Hours * ----		---- Operating Costs (\$/ACRE *) Per Operation ----					Tot. Cash Expenses	Class		
			Machine	Labor	Fuel/Rps.	Labor	Cust/Serv.	Materials	Total			Times	
1	Feb	Irrigate		0.279	14.03	1.90				15.94	11.0	175.29	G
2	Jun	Irrigate		0.424	21.05	2.89				23.94	4.0	95.76	G
3	May	Swathing	0.150	0.167	2.23	1.30				3.53	5.0	17.67	H
4	May	Raking	0.150	0.167	1.26	1.37				2.62	5.0	13.12	H
5	May	Baling	0.129	0.143	1.92	1.17		3.40		6.48	5.0	32.42	H
6	May	Roadsiding	0.090	0.100	7.88	0.78				8.66	5.0	43.32	H
		Pickup Use40 Mi/Acre	1.333		10.30							10.30	
		Operating Interest at 10.0						23.93				23.93	
=====													
TOTAL CASH OPERATING EXPENSES (includes all times over):											411.81	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)	271.05
Harvest (H)	106.53
Post Harvest (P)	0.00
Marketing (M)	0.00
Operating Overhead (O)	34.23
	=====
Total (T)	\$411.81

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%	4.4	-60.23	3.96	46.75	89.54	153.72	86.14
- 10%	5.3	-12.02	65.00	116.35	167.70	244.72	74.79
Budgeted	5.9	20.12	105.70	162.75	219.80	305.38	69.12
+ 10%	6.5	52.25	146.39	209.15	271.91	366.05	64.47
+ 25%	7.4	100.46	207.43	278.75	350.07	457.04	58.90
Break-even Yield		5.53	4.37	3.83	3.41	2.93	

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
FEB C	1.0	4.0	0.28		14.03	1.90				15.94
MAR C	1.0	4.0	0.28		14.03	1.90				15.94
APR C	2.0	8.0	0.56		28.06	3.81				31.87
MAY C	2.0	8.0	1.14		41.35	8.43		3.40		53.18
JUN C	2.0	12.0	1.42		55.38	10.41		3.40		69.19
JUL C	2.0	12.0	1.42		55.38	10.41		3.40		69.19
AUG C	2.0	8.0	1.14		41.35	8.43		3.40		53.18
SEP C	2.0	8.0	1.14		41.35	8.43		3.40		53.18
OCT C	1.0	4.0	0.28		14.03	1.90				15.94
Pickup Use40 Mi/Acre					10.30					10.30
Operating Interest at 10.0								23.93		23.93
Total	15.0	68.0	7.65		315.28	55.62		16.98	23.93	411.81
%					76.56	13.51		4.12	5.81	100.00

TOTAL RESOURCE REQUIREMENTS (per Acre)		TOTAL ENERGY REQUIREMENTS (per Acre)	
Total N	0.0	Diesel Fuel	11.9 Gal
Total P	0.0	Unleaded Gas	4.0 Gal
Total K	0.0	Nat Gas/Pumping	549.9 Therms
Total Labor	7.6	All Direct Energy	57.1 M BTU
Total Water	68.0		

EQUIPMENT REQUIREMENTS (per Acre)					
Bale Wagon, SP PRC	0.45 Hr	Baler, 2 Wire Auto PTO	0.64 Hr	Pickup Truck, 1/2 Ton	1.33 Hr
Rake, 9.5' LH	0.75 Hr	Tractor, 100 PTO HP,	1.39 Hr	Windrower, 14.0', HS, SC	0.75 Hr

MATERIALS REQUIREMENT (per Acre)			
Baling Twine (6500')	2.45 TF	Water, Pump	68.00 AI

LABOR REQUIREMENT (per Acre)					
Harvest	1.34 Hr	Irrigators	4.77 Hr	Tractor	1.55 Hr

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

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

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First No. Month	Times	Operation	Equipment/ Custom Oper		Job Rate Acres/Hr	----- Material Use Name	----- Material Use and Cost Appl. Rate \$ / Unit			----- Service Cost \$ / Unit	Labor Type
			HP	Self-Prop./ Implement							
1	Feb	11.0	Irrigate		3.60	Water, Pump	4.00	AI	42.09	AF	Irrigators
2	Jun	4.0	Irrigate		2.40	Water, Pump	6.00	AI	42.09	AF	Irrigators
3	May	5.0	Swathing	Windrower, 14.0', HS, SC	6.00						Harvest
4	May	5.0	Raking	100 Rake, 9.5' LH	6.00						Tractor
5	May	5.0	Baling	100 Baler, 2 Wire Auto PTO	7.00	Baling Twine (6500')	0.49	TF	6.57	TF	Tractor
6	May	5.0	Roadsiding	Bale Wagon, SP PRC	10.00						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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