

Table 5A. Income and Cash Operating Cost Summary, Alfalfa Hay, 1996

COUNTY: Cochise FARM: Cochise County Farm WATER SOURCE: Ks NG TILLAGE: Conventional
 CROP: Alfalfa Hay w/Graze ACRES: 1.0 IRRIGATION SYSTEM: Flood Basin SOIL: Sandy-Loam
 AREA: Kansas Settlement YIELD: 5.1 Tn/Acre PREVIOUS CROP: Alfalfa Hay DATE: 09/23/96

Item	Unit	Quantity	Price /Unit	Budgeted /Acre	Total /Acre	Your Farm Budget
INCOME -> Alfalfa	Ton	5.10	\$82.0000	\$418.20	\$418.20	
CASH LAND PREPARATION AND GROWING EXPENSES (including sales tax)						
Paid Labor (including benefits)					33.39	
Irrigation				33.39		
Farm Machinery and Vehicles					0.00	
Irrigation (excluding labor)					243.63	
Natural Gas/Pumping				208.90		
Repairs & Maint.				34.73		
TOTAL CASH LAND PREPARATION AND GROWING EXPENSES					277.03	
CASH HARVEST AND POST HARVEST EXPENSES						
Paid Labor (including benefits)					22.39	
Tractor/Self Propelled				13.04		
Other/Contract				9.36		
Farm Machinery and Vehicles					33.49	
Diesel Fuel				10.72		
Repairs & Maint.				22.77		
Other Materials					16.90	
TOTAL HARVEST AND POST HARVEST EXPENSE					72.78	
OPERATING OVERHEAD->PICKUP USE					10.57	
OPERATING INTEREST AT 8.0%					0.09	
TOTAL CASH OPERATING EXPENSES					\$360.47	
RETURNS OVER CASH OPERATING EXPENSES					\$57.73	

Notes: The above figures do not include ownership costs, see Table 5B on Next Page for detailed cost allocation.

Table 5B. Allocation of Ownership Costs; Alfalfa Hay, 1996

COUNTY: Cochise	FARM: Cochise County Farm	WATER SOURCE: Ks NG	TILLAGE: Conventional
CROP: Alfalfa Hay w/Graze	ACRES: 1.0	IRRIGATION SYSTEM: Flood Basin	SOIL: Sandy-Loam
AREA: Kansas Settlement	YIELD: 5.1 Tn/Acre	PREVIOUS CROP: Alfalfa Hay	DATE: 09/23/96

Item	- CASH COST BASIS (\$/ACRE) -		- TOTAL COST BASIS (\$/ACRE) -	
	Income & Costs	Net Returns	Income & Costs	Net Returns
TOTAL INCOME at \$ 82.0000/Tn	\$418.20		\$418.20	
TOTAL OPERATING EXPENSES	360.47		360.47	
RETURN OVER CASH OPERATING EXPENSES		\$57.72		\$57.72
CASH OVERHEAD EXPENSES				
Taxes, Housing & Insur., Farm Machinery	5.04		5.04	
Wells & Irrig. System	18.57		18.57	
Gen. & Off. Overhead (5% of Tot. Oper. Exp.)	18.02		18.02	
General Farm Maint. (3% of Tot. Oper. Exp.)	10.81		10.81	
Total Cash Overhead Expenses	<u>52.44</u>		<u>52.44</u>	
Total Cash Oper. & Over. Cost	412.91		412.91	
RETURNS OVER CASH OPER. & OVER. EXPENSES.		5.28		5.28
CAPITAL ALLOCATIONS (100% Equity)				
Capital Replacement, Machinery & Vehicles			32.92	
Wells & Irrig. System			70.80	
Interest on Equity, Machinery & Vehicles			3.02	
Wells & Irrig. System			35.61	
Stand Establishment (3 Year Crop)	98.30		98.30	
Total Capital Allocations	98.30		<u>240.65</u>	
RETURNS TO LAND, CAPITAL, MANAGEMENT & RISK		>(93.01)		
RETURNS TO LAND, MANAGEMENT & RISK				>(235.36)
LAND COSTS / OWNERSHIP (100% Equity)				
Property Taxes (\$260 X 16% X .14112)	5.87		5.87	
Opport. Inter. on Land (100% X 6.0% X \$260)			15.60	
Total Land Costs	<u>5.87</u>		<u>21.47</u>	
RETURNS TO MANAGEMENT, CAPITAL & RISK		>(98.88)		
RETURNS TO MANAGEMENT & RISK				>(256.84)
Management Services (8% of Tot. Oper. Exp.)			28.83	
TOTAL OWNERSHIP COST	<u>156.61</u>		<u>343.40</u>	
TOTAL COST	<u>\$517.08</u>		<u>\$703.87</u>	
RETURN TO MANAGEMENT, CAPITAL & RISK		>(\$98.88)		
RETURN TO RISK (PROFITS)				>(\$285.67)
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BREAK-EVEN PRICE TO COVER OPERATING COST (PER Tn)		\$70.68		\$70.68
BREAK-EVEN PRICE TO COVER OWNERSHIP COST		\$30.70		\$67.33
BREAK-EVEN PRICE TO COVER TOTAL COST		\$101.38		\$138.01

Table 5C. Variable Operating Costs; Alfalfa Hay, 1996

COUNTY: Cochise FARM: Cochise County Farm WATER SOURCE: Ks NG TILLAGE: Conventional
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 AREA: Kansas Settlement YIELD: 5.1 Tn/Acre PREVIOUS CROP: Alfalfa Hay DATE: 09/23/96

No.	First Month	Operation	Hours * —		Operating Costs (\$/Acre*)				Total	Times	Tot. Cash Expense	Class
			Machine	Labor	Fuel/Rps.	Labor	Cust/Ser.	Materials				
1	Feb	Irrigate		0.279	14.33	1.96			16.29	11.0	179.19	G
2	Jun	Irrigate		0.424	21.50	2.97			24.47	4.0	97.88	G
3	May	Swathing	0.150	0.167	2.02	1.17			3.19	5.0	15.97	H
4	May	Raking	0.150	0.167	1.26	1.40			2.66	5.0	13.32	H
5	May	Baling	0.129	0.143	1.88	1.20		3.38	6.46	5.0	32.32	H
6	May	Roadsiding	0.090	0.100	1.53	0.70			2.23	5.0	11.13	H
		Pickup Use 40 Mi/Ac	1.330		10.57						10.57	O
		Operating Interest at 8.00%					0.76				0.76	O
TOTAL CASH OPERATING EXPENSES:					\$287.69	\$55.79	\$0.76	\$16.90			\$361.14	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		SENSITIVITY OF NET REVENUES OVER TOTAL CASH EXPENSES (\$/Acre)							
		Prices ->		-25%	-10%	Budgeted	+10%	+25%	
Land Preparation (L)	\$0.00								
Growing (G)	277.07								
Harvest (H)	72.73	Yields		\$61.50	\$73.80	\$82.00	\$90.20	\$102.50	
Post Harvest (P)	0.00							Break-even	
Marketing (M)	0.00	-25%	3.8	-107.71	-60.67	-29.30	2.05	49.10	89.66
Operating Overhead (O)	11.33	-10%	4.5	-71.58	-15.12	22.51	60.15	116.60	77.09
		Budgeted	5.1	-47.48	15.24	57.06	98.88	161.61	70.81
Total (T)	\$361.13	+10%	5.6	-23.39	45.60	91.60	137.60	206.61	65.67
		+25%	6.3	12.73	91.15	143.42	195.70	274.11	59.50
		Break-even Yield		6.10	4.84	4.25	3.79	3.26	

Table 5D. Resource and Cash Flow Requirements; Alfalfa Hay, 1996

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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	4.0	0.27		14.33	1.96				16.29
MAR C	1.0	4.0	0.27		14.33	1.96				16.29
APR C	2.0	8.0	0.55		28.66	3.91				32.57
MAY C	2.0	8.0	1.13		35.36	8.39		3.38		47.13
JUN C	2.0	12.0	1.42		49.70	10.42		3.38		63.50
JUL C	2.0	12.0	1.42		49.70	10.42		3.38		63.50
AUG C	2.0	8.0	1.13		35.36	8.39		3.38		47.13
SEP C	2.0	8.0	1.13		35.36	8.39		3.38		47.13
OCT C	1.0	4.0	0.27		14.33	1.96				16.29
Pickup Use 40 Mi/Ac					10.57					10.57
Operating Interest at 8.0%									0.76	0.76
Total	15.0	68.0	7.65		287.69	55.79		16.90	0.76	361.14
%					79.66	15.44		4.67	0.21	100.00

TOTAL RESOURCES REQUIREMENTS (/Acre)		TOTAL ENERGY REQUIREMENTS (/Acre)	
Total N	0.0 lbs	Diesel Fuel	11.9 Gal
Total P	0.0 lbs	Regular Gas	0.0 Gal
Total K	0.0 lbs	NonLead Gas	4.0 Gal
Total Labor	7.6 Hrs		
Total Water	68.0 AI	Natural Gas/Pumping	549.8 Therms
		All Direct Energy	57.1 M BTU

EQUIPMENT REQUIREMENTS (/Acre)			
Windrower, 14.0', HS, SC	0.75 Hrs	Tractor, 100 PTO HP, MFWD	1.40 Hrs
Baler, 2 Wire Auto PTO	0.65 Hrs	Bale Wagon, SP PRC	0.45 Hrs
		Rake, 9.5' LH	0.75 Hrs
		Pickup Truck, 1/2 Ton	1.33 Hrs

MATERIALS REQUIREMENTS (/Acre)			
Water, Pump	68.00 AI	Baling Wire (6500')	2.45 TF

LABOR REQUIREMENTS (/Acre)			
Irrigators	4.77 Hrs	Harvest	1.34 Hrs
		Tractor	1.55 Hrs

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

Table 5E Schedule of Operations; Alfalfa Hay, 1996

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No.	First Month	Times	Operation	Equipment/Custom Oper.		Job Rate Acres/Hr	Name	Material Use & Cost			Labor Type
				HP	Self-Prop./Implem.			Appl. Rate	\$/Unit	\$/Unit	
1	Feb	11.0	Irrigate			3.60	Water, Pump	4.00 AI	42.99 AF		Irrigator
2	Jun	4.0	Irrigate			2.40	Water, Pump	6.00 AI	42.99 AF		Irrigator
3	May	5.0	Swathing		Windrower, 14.0', HS, S	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 Wire (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					

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

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