

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

COUNTY: Graham FARM: Graham County Farm WATER SOURCE: Both TILLAGE: Conventional
 CROP: Alfalfa Hay w/Graze ACRES: 1.0 IRRIGATION SYSTEM: Flood Basin SOIL: Sandy-Loam
 AREA: Safford Valley YIELD: 6.0 Tn/Acre PREVIOUS CROP: Alfalfa Hay DATE: 10/14/96

Item	Unit	Quantity	Price /Unit	Budgeted /Acre	Total /Acre	Your Farm Budget
INCOME -> Alfalfa	Ton	6.00	\$82.0000	\$492.00	\$492.00	_____
CASH LAND PREPARATION AND GROWING EXPENSES (including sales tax)						
Paid Labor (including benefits)					47.20	_____
Tractor/Self Propelled				1.68		_____
Irrigation				45.52		_____
Chemicals & Custom Applications					7.72	_____
Insecticides				7.72		_____
Farm Machinery and Vehicles					1.81	_____
Diesel Fuel				0.97		_____
Repairs & Maint.				0.84		_____
Irrigation (excluding labor)					29.42	_____
Pump Energy - Elect.				27.65		_____
Repairs & Maint.				1.77		_____
Water Assessment (See Note Below) **					**	_____
TOTAL CASH LAND PREPARATION AND GROWING EXPENSES					86.15	_____
CASH HARVEST AND POST HARVEST EXPENSES						
Paid Labor (including benefits)					33.51	_____
Tractor/Self Propelled				15.98		_____
Other/Contract				17.53		_____
Farm Machinery and Vehicles					59.65	_____
Diesel Fuel				19.59		_____
Repairs & Maint.				40.06		_____
Other Materials					22.35	_____
TOTAL HARVEST AND POST HARVEST EXPENSE					115.51	_____
OPERATING OVERHEAD->PICKUP USE					9.91	_____
OPERATING INTEREST AT 8.0%					0.28	_____
TOTAL CASH OPERATING EXPENSES					\$211.84	=====
RETURNS OVER CASH OPERATING EXPENSES					\$280.16	=====

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

** A water assessment charge of \$35.00/Acre is included in the ownership costs of Table 5B.

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

COUNTY: Graham	FARM: Graham County Farm	WATER SOURCE: Both	TILLAGE: Conventional
CROP: Alfalfa Hay w/Graze	ACRES: 1.0	IRRIGATION SYSTEM: Flood Basin	SOIL: Sandy-Loam
AREA: Safford Valley	YIELD: 6.0 Tn/Acre	PREVIOUS CROP: Alfalfa Hay	DATE: 10/14/96

Item	- CASH COST BASIS (\$/ACRE) -		- TOTAL COST BASIS (\$/ACRE) -	
	Income & Costs	Net Returns	Income & Costs	Net Returns
TOTAL INCOME at \$ 82.0000/Tn	\$492.00		\$492.00	
TOTAL OPERATING EXPENSES	211.84		211.84	
RETURN OVER CASH OPERATING EXPENSES		\$280.15		\$280.15
CASH OVERHEAD EXPENSES				
Taxes, Housing & Insur., Farm Machinery	9.03		9.03	
Wells & Irrig. System	8.60		8.60	
Gen. & Off. Overhead (5% of Tot. Oper. Exp.)	10.59		10.59	
General Farm Maint. (3% of Tot. Oper. Exp.)	6.36		6.36	
Total Cash Overhead Expenses	<u>34.58</u>		<u>34.58</u>	
Total Cash Oper. & Over. Cost	246.42		246.42	
RETURNS OVER CASH OPER. & OVER. EXPENSES.		245.57		245.57
CAPITAL ALLOCATIONS (100% Equity)				
Capital Replacement, Machinery & Vehicles			59.95	
Wells & Irrig. System			15.34	
Interest on Equity, Machinery & Vehicles			5.20	
Wells & Irrig. System			5.84	
Stand Establishment (3 Year Crop)	94.84		94.84	
Total Capital Allocations	94.84		<u>181.17</u>	
RETURNS TO LAND, CAPITAL, MANAGEMENT & RISK		150.73		
RETURNS TO LAND, MANAGEMENT & RISK				64.40
LAND COSTS / OWNERSHIP (100% Equity)				
Property Taxes (\$660 X 16% X .10016)	10.57		10.57	
Opport. Inter. on Land (100% X 6.0% X \$660)			39.60	
Water Assessment **	35.00		<u>35.00</u>	
Total Land Costs	<u>45.57</u>		85.17	
RETURNS TO MANAGEMENT, CAPITAL & RISK		105.15		
RETURNS TO MANAGEMENT & RISK				(20.77)
Management Services (8% of Tot. Oper. Exp.)			16.94	
TOTAL OWNERSHIP COST	<u>174.99</u>		<u>317.87</u>	
TOTAL COST	<u>386.84</u>		<u>529.72</u>	
RETURN TO MANAGEMENT, CAPITAL & RISK		\$105.15		
RETURN TO RISK (PROFITS)				(\$37.72)
BREAK-EVEN PRICE TO COVER OPERATING COST (PER Tn)		\$35.30		\$35.30
BREAK-EVEN PRICE TO COVER OWNERSHIP COST		\$29.16		\$52.97
BREAK-EVEN PRICE TO COVER TOTAL COST		\$64.47		\$88.28

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

COUNTY: Graham FARM: Graham County Farm WATER SOURCE: Both TILLAGE: Conventional
 CROP: Alfalfa Hay w/Graze ACRES: 1.0 IRRIGATION SYSTEM: Flood Basin SOIL: Sandy-Loam
 AREA: Safford Valley YIELD: 6.0 Tn/Acre PREVIOUS CROP: Alfalfa Hay DATE: 10/14/96

No.	First Month	Operation	Hours * -		Operating Costs (\$/Acre*)				Times	Tot. Cash Expense	Class	
			Machine	Labor	Fuel/Rps.	Labor	Cust/Ser.	Materials				Total
1	Feb	Irrigate		0.403		2.82			2.82	9.8	27.64	G
2	Feb	Irrigate		0.606	7.00	4.25			11.25	4.2	47.25	G
3	Mar	Apply Insect./Ground	0.180	0.200	1.81	1.68		7.72	11.21	1.0	11.21	G
4	May	Swathing	0.225	0.250	3.19	1.75			4.94	6.0	29.62	H
5	Jul	Raking	0.180	0.200	1.69	1.68			3.37	2.0	6.73	H
6	May	Baling	0.225	0.250	3.50	2.10		3.73	9.33	6.0	55.97	H
7	Apr	Roadsiding	0.150	0.167	2.69	1.17			3.86	6.0	23.18	H
		Pickup Use 40 Mi/Ac	1.330		9.90						9.90	O
		Operating Interest at 8.00%						0.37			0.37	O
TOTAL CASH OPERATING EXPENSES:					\$100.76	\$80.65	\$0.37	\$30.10			\$211.88	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 \$35.00/Acre included as ownership cost in Table 5B.

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)	86.09								
Harvest (H)	115.50	Yields		\$61.50	\$73.80	\$82.00	\$90.20	\$102.50	Break-even
Post Harvest (P)	0.00								
Marketing (M)	0.00	-25%	4.5	93.75	149.10	186.00	222.90	278.25	40.66
Operating Overhead (O)	10.27	-10%	5.4	131.77	198.19	242.47	286.75	353.17	37.09
		Budgeted	6.0	157.12	230.92	280.12	329.32	403.12	35.31
Total (T)	\$211.87	+10%	6.6	182.47	263.65	317.77	371.89	453.07	33.85
		+25%	7.5	220.49	312.74	374.24	435.74	527.99	32.10
		Break-even Yield		2.28	1.76	1.53	1.35	1.15	

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

COUNTY: Graham FARM: Graham County Farm WATER SOURCE: Both TILLAGE: Conventional
 CROP: Alfalfa Hay w/Graze ACRES: 1.0 IRRIGATION SYSTEM: Flood Basin SOIL: Sandy-Loam
 AREA: Safford Valley YIELD: 6.0 Tn/Acre PREVIOUS CROP: Alfalfa Hay DATE: 10/14/96

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	6.0	0.46		2.10	3.25				5.35
MAR C	1.0	6.0	0.66		3.91	4.93	7.72			16.56
APR C	1.0	6.0	0.46		2.10	3.25				5.35
MAY C	2.0	12.0	1.59		13.58	11.53		3.73		28.83
JUN C	2.0	12.0	1.59		13.58	11.53		3.73		28.83
JUL C	2.0	12.0	1.79		15.26	13.21		3.73		32.20
AUG C	2.0	12.0	1.79		15.26	13.21		3.73		32.20
SEP C	2.0	12.0	1.59		13.58	11.53		3.73		28.83
OCT C	1.0	6.0	1.13		11.48	8.28		3.73		23.48
Pickup Use 40 Mi/Ac					9.90				9.90	
Operating Interest at 8.0%									0.36	0.36
Water Assessment					**					
Total	14.0	84.0	11.09		100.76	80.71	7.72	22.35	0.36	211.91
%					47.54	38.08	3.64	10.54	0.17	100.00

TOTAL RESOURCES REQUIREMENTS (/Acre)		TOTAL ENERGY REQUIREMENTS (/Acre)	
Total N	0.0 lbs	Diesel Fuel	18.8 Gal
Total P	0.0 lbs	Regular Gas	0.0 Gal
Total K	0.0 lbs	NonLead Gas	4.0 Gal
Total Labor	11.0 Hrs	Electricity/Pumping	278.7 KWH
Total Water	84.0 AI	All Direct Energy	4.0 M BTU

EQUIPMENT REQUIREMENTS (/Acre)			
Tractor, 100 PTO HP, MFWD	1.89 Hrs	Saddle Tk Sprayer, 2 Tk 8 Row	0.18 Hrs
Baler, 2 Wire Auto PTO	1.35 Hrs	Bale Wagon, SP PRC	0.90 Hrs
Pickup Truck, 1/2 Ton	1.33 Hrs	Windrower, 14.0', HS, SC	1.35 Hrs
		Rake, 9.5' LH	0.36 Hrs

MATERIALS REQUIREMENTS (/Acre)			
Water, District	58.80 AI	Water, Pump	25.20 AI
Baling Wire (6500')	3.24 TF	Malathion	2.00 Pt

LABOR REQUIREMENTS (/Acre)			
Irrigators	6.49 Hrs	Tractor	2.10 Hrs
		Harvest	2.50 Hrs

* NOTE: P = Previous Year C = Current Year N = Next Year
 ** A water assessment charge of \$35.00/Acre included as ownership cost in Table 5B.

Table 5E Schedule of Operations; Alfalfa Hay, 1996

COUNTY: Graham FARM: Graham County Farm WATER SOURCE: Both TILLAGE: Conventional
 CROP: Alfalfa Hay w/Graze ACRES: 1.0 IRRIGATION SYSTEM: Flood Basin SOIL: Sandy-Loam
 AREA: Safford Valley YIELD: 6.0 Tn/Acre PREVIOUS CROP: Alfalfa Hay DATE: 10/14/96

No.	First Month	Times	Operation	Equipment/Custom Oper. HP Self-Prop./Implem.	Job Rate Acres/Hr	Material Use & Cost Name	Appl. Rate	\$/Unit	Service Cost \$/Unit	Labor Type
1	Feb	9.8	Irrigate		2.48	Water, District	6.00 AI	0.00 AF		Irrigator
2	Feb	4.2	Irrigate		1.65	Water, Pump	6.00 AI	14.00 AF		Irrigator
3	Mar	1.0	Apply Insect./Ground	100 Saddle Tk Sprayer, 2 Tk	5.00	Malathion	2.00 Pt	29.42 Ga		Tractor
4	May	6.0	Swathing	Windrower, 14.0', HS, S	4.00					Harvest
5	Jul	2.0	Raking	100 Rake, 9.5' LH	5.00					Tractor
6	May	6.0	Baling	100 Baler, 2 Wire Auto PTO	4.00	Baling Wire (6500)	0.54 TF	6.57 TF		Tractor
7	Apr	6.0	Roadsiding	Bale Wagon, SP PRC	6.00					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.

** A water assessment charge of \$35.00/Acre included as ownership cost in Table 5B.