Table 1. Five Year Average Yields and Prices, Colorado River Vegetables

| Colorado<br>1996<br>1997<br>1998<br>1999        |   | V:-1-1/A                                    | Leaf Lettuce  |                             | Romaine Lettuce   |                                       | Cauliflower                             |   | Broccoli                          |                               | Dry Onion (Processing)/1 |  | La Paz Fall Cantaloup             |                                |  |
|---|---|---|---|-----------------------------|---|---------------------------------------|---|---|-----------------------------------|-------------------------------|--------------------------|--|-----------------------------------|--------------------------------|--|
| 1996<br>1997<br>1998                            | River Vege                                      | Yield/Acre                                  | Harvested   | Yield/Acre                  | Harvested   | Yield/Acre                            | Harvested                               | Yield/Acre                                | Harvested                         | Yield/Acre                    | Harvested                | Yield/Acre                               | Harvested                         | Yield/Acre                     |  |
| 1996<br>1997<br>1998                            |   | (Cartons)                                   | Acres   | (Cartons)                   | Acres   | (Cartons)                             | Acres                                   | (Cartons)                                 | Acres                             | (Cartons)                     | Acres                    | Tons                                     | Acres                             | (Cartons)                      |  |
| 1997<br>1998                                    |   | Colorado River Vegetable Acreage and Yields |   |                             |   |                                       |   |   |                                   |                               |                          |  |                                   |                                |  |
| 1998  | 57,000  | 713   | 4,150   | 1,376                       | 7,300   | 605                                   | 4,200                                   | 770                                       | 7,100                             | 362                           |                          |  |                                   |                                |  |
|   | 51,800  | 813   | 5,550   | 1,116                       | 8,100   | 808                                   | 3,700                                   | 783                                       | 6,700                             | 519                           |                          |  | 3,100                             | 187                            |  |
| 1999  | 51,000  | 875   | 7,000   | 1,100                       | 9,700   | 780                                   | 3,200                                   | 922                                       | 8,100                             | 535                           | 1,700                    | 18                                       | 2,500                             | 240                            |  |
|   | 44,000  | 838   | 5,400   | 1,100                       | 10,100  | 763                                   | 3,600                                   | 1,343                                     | 8,000                             | 819                           | 1,900                    | 18                                       | 2,500                             | 285                            |  |
| 2000  | 50,300  | 875   | 3,800   | 1,120                       | 7,300   | 605                                   | 3,900                                   | 957                                       | 7,300                             | 808                           | 1,850                    | 18                                       | _,,,,,                            |                                |  |
| Average   | 50,820  | 823   | 5,180   | 1,162                       | 8,500   | 712                                   | 3,720                                   | 955                                       | 7,440                             | 608                           | 1,875                    | 18                                       | 1,620                             | 237                            |  |
| Arizona Vegetable Prices ( Dollars per Carton ) |   |   |   |                             |   |                                       |   |   |                                   |                               |                          |  |                                   |                                |  |
|   | Western Head Lettuce                            |   | Leaf Le   |                             | Romaine Lettuce   |                                       | Cauliflower                             |   | Broccoli                          |                               | Dry Onion (Processing)/1 |  | La Paz Fall Cantaloup             |                                |  |
|   | Price per                                       |   | Price per   |                             | Price pe  |                                       | Price per                               | 23  | Price per                         | 26                            | Price per                | 1  | Price per                         | 40                             |  |
|   |   | d carton                                    | pound o   |                             | pound c   |                                       |   | carton                                    |                                   | d carton                      | 1                        | 「on                                      |                                   | carton                         |  |
| 1996  |   | .24   | \$9.0   |                             | \$7.8   |                                       |   | .59                                       |                                   | .68                           |                          |  | \$8                               | .32                            |  |
| 1997  |   | .64   | \$7.9   |                             | \$7.8   |                                       |   | .64                                       |                                   | .28                           |                          |  | \$7                               |                                |  |
| 1998  |   | .32   | \$5.2   |                             | \$8.8   |                                       |   | ).53                                      |                                   | .31                           |                          | 0.00                                     | \$5                               | .56                            |  |
| 1999  |   | .88   | \$6.6   |                             | \$6.0   |                                       |   | .58                                       |                                   | .32                           |                          | 0.00                                     | \$5                               |                                |  |
| 2000  | \$5   | .24   | \$7.6   | 88                          | \$7.6   | 3                                     | \$8                                     | .03                                       | \$6                               | .94                           | \$90                     | 0.00                                     | \$7                               | .84                            |  |
| Average   | \$5   | .26   | \$7.3   | 30                          | \$7.6   | 3                                     | \$8                                     | .47                                       | \$7                               | .71                           | \$9                      | 5.00                                     | \$6                               | .98                            |  |
|   | Yuma Sprin                                      | g Honeydews                                 | La Paz Spring   | Honevdews                   | Yuma Wate   | rmelons                               | La Paz W                                | atermelons                                | Yuma Sprii                        | ng Cantaloup                  | La Paz Spr               | ing Cantaloup                            | Yuma Fal                          | Cantaloup                      |  |
|   | Harvested<br>Acres                              | Yield/Acre<br>(Cartons)                     | Harvested<br>Acres  | Yield/Acre<br>(Cartons)     | Harvested<br>Acres  | Yield/Acre<br>(Cartons)               | Harvested<br>Acres                      | Yield/Acre<br>(Cartons)                   | Harvested<br>Acres                | Yield/Acre<br>(Cartons)       | Harvested<br>Acres       | Yield/Acre<br>(Cartons)                  | Harvested<br>Acres                | Yield/Acre<br>(Cartons)        |  |
| Colorado River Vegetable Acreage and Yields     |   |   |   |                             |   |                                       |   |   |                                   |                               |                          |  |                                   |                                |  |
|   |   |   |   |                             |   |                                       |   |   |                                   |                               |                          |  |                                   | 338                            |  |
|   |   |   |   |                             |   |                                       |   |   |                                   |                               |                          |  |                                   | 325                            |  |
|   |   |   |   |                             |   |                                       |   |   | -,                                |                               |                          |  |                                   | 445                            |  |
|   |   |   |   |                             |   |                                       |   |   |                                   |                               |                          |  |                                   | 603                            |  |
| 2000  | 700   | 575   | 600   | 550                         | 1,000   | 22.00                                 | 1,300                                   | 16.75                                     | 2,800                             | 625                           | 1,200                    | 520                                      | 1,000                             | 538                            |  |
|   | 500   | 473   | 700   | 514                         | 1,060   | 22.05                                 | 730                                     | 14.12                                     | 3,000                             | 811                           | 1,900                    | 625                                      | 1,780                             | 450                            |  |
| Average   | Arizona Vegetable Prices ( Dollars per Carton ) |   |   |                             |   |                                       |   |   |                                   |                               |                          |  |                                   |                                |  |
| Average   | /egetable Pr                                    | Yuma Spring Honeydews                       |   | La Paz Spring Honeydews     |   | Yuma Watermelons                      |   | La Paz Watermelons                        |                                   | Yuma Spring Cantaloup         |                          | La Paz Spring Cantaloup                  |                                   | Yuma Fall Cantaloup            |  |
| Average   | Yuma Sprin                                      | g Honeydews                                 | La Faz Spring   | noneydews                   |   |                                       |   |   | <b>D</b> :                        | 40                            |                          |  |                                   |                                |  |
| Average   | Yuma Sprin<br>Price per                         | 40  | Price per   | r 40                        | Price pe  |                                       | Price per                               | 2000                                      | Price per                         |                               | Price per                | 40                                       | Price per                         | 40                             |  |
| Average  Arizona V                              | Yuma Sprin<br>Price per<br>pound                | 40<br>d carton                              | Price per pound of  | r 40<br>carton              | Price pe<br>pound cor   | ntainer                               | pound o                                 | container                                 | pound                             | d carton                      | pound                    | d carton                                 | pound                             | carton                         |  |
| Average  Arizona V  1996                        | Yuma Sprin<br>Price per<br>pound<br>\$6         | 40<br>d carton<br>.76                       | Price per<br>pound of<br>\$3.3                            | r 40<br>carton<br>32        | Price pe<br>pound cor<br>\$144.                               | ntainer<br>00                         | pound o                                 | container<br>4.00                         | pound<br>\$8                      | d carton<br>.32               | pound<br>\$8             | d carton<br>3.32                         | pound<br>\$8                      | carton<br>.32                  |  |
| Average  Arizona V  1996 1997                   | Yuma Sprin<br>Price per<br>pound<br>\$6<br>\$7  | 40<br>d carton<br>.76<br>.00                | Price per<br>pound of<br>\$3.3<br>\$3.4                   | 40<br>carton<br>32<br>40    | Price pe<br>pound cor<br>\$144.<br>\$156.                     | ntainer<br>00<br>00                   | pound 6<br>\$14<br>\$15                 | container<br>4.00<br>6.00                 | pound<br>\$8<br>\$7               | d carton<br>.32<br>.68        | pound<br>\$8<br>\$7      | d carton<br>3.32<br>7.68                 | pound<br>\$8<br>\$7               | carton<br>.32<br>.68           |  |
| Average  Arizona V  1996 1997 1998              | Yuma Sprin Price per pound \$6 \$7              | 40<br>d carton<br>.76<br>.00                | Price per<br>pound (<br>\$3.3<br>\$3.4<br>\$4.1           | 40 carton<br>32<br>40       | Price pe<br>pound cor<br>\$144.<br>\$156.<br>\$160.           | ntainer<br>00<br>00<br>00             | pound 6<br>\$14<br>\$15<br>\$16         | container<br>4.00<br>6.00<br>0.00         | 90und<br>\$8<br>\$7<br>\$5        | d carton<br>.32<br>.68<br>.56 | \$8<br>\$8<br>\$7<br>\$5 | d carton<br>3.32<br>7.68<br>5.56         | pound<br>\$8<br>\$7<br>\$5        | carton<br>32<br>.68<br>.56     |  |
| Average  Arizona V  1996 1997 1998 1999         | Yuma Sprin Price per pound \$6 \$7 \$6          | 40<br>d carton<br>.76<br>.00<br>.40         | Price per<br>pound of<br>\$3.3<br>\$3.4<br>\$4.1<br>\$2.4 | 40 carton<br>32<br>40<br>66 | Price pe<br>pound cor<br>\$144.<br>\$156.<br>\$160.<br>\$112. | ntainer<br>00<br>00<br>00<br>00<br>00 | pound (<br>\$14<br>\$15<br>\$16<br>\$11 | container<br>4.00<br>6.00<br>0.00<br>2.00 | 90und<br>\$8<br>\$7<br>\$5<br>\$5 | d carton<br>.32<br>.68<br>.56 | \$8<br>\$7<br>\$5<br>\$5 | d carton<br>3.32<br>7.68<br>5.56<br>5.52 | pound<br>\$8<br>\$7<br>\$5<br>\$5 | carton<br>32<br>68<br>56<br>52 |  |
| Average  Arizona V  1996 1997 1998              | Yuma Sprin Price per pound \$6 \$7 \$6          | 40<br>d carton<br>.76<br>.00                | Price per<br>pound (<br>\$3.3<br>\$3.4<br>\$4.1           | 40 carton<br>32<br>40<br>66 | Price pe<br>pound cor<br>\$144.<br>\$156.<br>\$160.           | ntainer<br>00<br>00<br>00<br>00<br>00 | pound (<br>\$14<br>\$15<br>\$16<br>\$11 | container<br>4.00<br>6.00<br>0.00         | 90und<br>\$8<br>\$7<br>\$5<br>\$5 | d carton<br>.32<br>.68<br>.56 | \$8<br>\$7<br>\$5<br>\$5 | d carton<br>3.32<br>7.68<br>5.56         | pound<br>\$8<br>\$7<br>\$5        | carton<br>32<br>68<br>56<br>52 |  |
| 1996<br>1997<br>1998<br>1999<br>2000            | 200<br>300<br>700<br>600<br>700                 | 400<br>443<br>488<br>460<br>575<br>473      | 800<br>1,000<br>600<br>500<br>600<br>700                  |                             | <u> </u>  |                                       |   | atermelons                                | Yuma Sprii                        | ng Cantaloup                  | La Paz Spri              | ing Cantaloup                            | Yuma Fall                         |                                |  |

Average \$6.63 \$3.33 \$141.60 \$141.60 1/ Price, Yields and Acres were obtained from Processors, Extension Agents, and Growers. Price includes Seed and Harvesting costs.

 Table 2. Representative Farm Description for Budget Estimation

| Yuma County         La Paz County           General Characteristics         500         1000         Acres           Farm Size         550         \$150         /Acre           Property Tax Rate (Average)         \$13.2183         \$10.6451         /\$100 Assessment           Assessment Rate         16%         16% 16% of Appraised Value           Appraised Land Value         \$1,314         \$450         /Acre           Land Cash Value         \$7,800         \$2,000         /Acre           Land Equity         100%         100%         Sales Tax         6%         6%         of Operating Costs           General Overhead         3%         3%         of Operating Costs         of Operating Costs         of Operating Costs           Maintenance Overhead         3%         3%         of Operating Costs         of Operating Costs           Maintenance Overhead         3%         3%         of Operating Costs           Management Overhead         6%         8%         of Operating Costs           Energy and Equipment         Equipment Equity           Machine Hours         90%         90%           Unleaded Gasoline         \$1.110         \$1.140         /Gallon           Le P Gas         \$1.075  |                         | Vegeta  | ables     |                    |
|---|-------------------------|---------|-----------|--------------------|
| General Characteristics           Farm Size         500         1000         Acres           Land Rent         \$550         \$150         /Acre           Property Tax Rate (Average)         \$13.2183         \$10.6451         /\$100 Assessment           Assessment Rate         16%         16% of Appraised Value           Appraised Land Value         \$1,314         \$450         /Acre           Land Equity         100%         \$2,000         /Acre           Land Equity         30%         30         Of Operating Costs           Office Overhead         3%         3%         of Operating Costs           Malneary Equity <t< th=""><th></th><th>Yuma</th><th>La Paz</th><th></th></t<>  |                         | Yuma    | La Paz    |                    |
| Farm Size         500         1000         Acres           Land Rent         \$550         \$150         /Acre           Property Tax Rate (Average)         \$13.2183         \$10.6451         /\$100 Assessment           Assessment Rate         16%         16% of Appraised Value           Appraised Land Value         \$1,314         \$450         /Acre           Land Cash Value         \$7,800         \$2,000         /Acre           Land Equity         100%         \$100%         \$100%           Sales Tax         6%         6%         of Material Purchases           General Overhead         3%         3%         of Operating Costs           Office Overhead         2%         2%         of Operating Costs           Maintenance Overhead         3%         3%         of Operating Costs           Management Overhead         6%         8%         of Operating Costs           Management Equipment         Equipment Equity         \$1.110         \$1.140         /Gallon           Learcy and Equipment         \$0.757         \$0.800         /Gallon           L P Gas         \$1.034         \$1.075         /Gallon           L P Gas         \$1.034         \$1.075         /Gallon  |                         | County  | County    |                    |
| Land Rent         \$550         \$150         /Acre           Property Tax Rate (Average)         \$13.2183         \$10.6451         /\$100 Assessment           Assessment Rate         16%         16%         16% of Appraised Value           Appraised Land Value         \$1,314         \$450         /Acre           Land Cash Value         \$7,800         \$2,000         /Acre           Land Equity         100%         \$100% <td>General Characteristics</td> <td></td> <td></td> <td></td>   | General Characteristics |         |           |                    |
| Property Tax Rate (Average)         \$13.2183         \$10.6451         /\$100 Assessment           Assessment Rate         16%         16%         16% of Appraised Value           Appraised Land Value         \$1,314         \$450         /Acre           Land Cash Value         \$7,800         \$2,000         /Acre           Land Equity         100%         100%           Sales Tax         6%         6%         of Material Purchases           General Overhead         3%         3%         of Operating Costs           Office Overhead         2%         2%         of Operating Costs           Maintenance Overhead         3%         3%         of Operating Costs           Management Overhead         6%         8%         of Operating Costs           Management Equity         Some of Operating Costs           Machine Hours         90%         90%           Unleaded Gasoline         \$1.110         \$1.140         /Gallon           Diesel Fuel         \$0.757         \$0.800         /Gallon           L P Gas         \$1.034         \$1.075         /Gallon           Natural Gas         \$0.37065         \$0.37065         /Cu. Ft.           Electricity         \$0.07035         \$0.05800  |                         |         |           |                    |
| Assessment Rate 16% 16% 16% of Appraised Value Appraised Land Value \$1,314 \$450 /Acre Land Cash Value \$7,800 \$2,000 /Acre Land Equity 100% 100% Sales Tax 6% 6% of Material Purchases General Overhead 3% 3% of Operating Costs Office Overhead 2% 2% of Operating Costs Maintenance Overhead 6% 8% of Operating Costs Management Overhead 6% 8% of Operating Costs Management Overhead 6% 8% of Operating Costs Of Operating Costs Management Equity Machine Hours 90% 90% Unleaded Gasoline \$1.110 \$1.140 /Gallon Diesel Fuel \$0.757 \$0.800 /Gallon L P Gas \$1.034 \$1.075 /Gallon Natural Gas \$0.37065 \$0.37065 /Cu. Ft. Electricity \$0.07035 \$0.05800 /Kwh Lubrication Factor 15% 15% of Fuel Costs Interest Rates  Operating Credit 10% 10% Long Term 6% 6% Average Investment 10% 10% Labor Benefits  FICA 7.65% 7.65% of Cash Wages Worker Compensation 8.45% 11.28% of Cash Wages FUTA   |                         | · ·     | \$150     | /Acre              |
| Appraised Land Value         \$1,314         \$450         /Acre           Land Cash Value         \$7,800         \$2,000         /Acre           Land Equity         100%         100%           Sales Tax         6%         6%         of Material Purchases           General Overhead         3%         3%         of Operating Costs           Office Overhead         2%         2%         of Operating Costs           Maintenance Overhead         3%         3%         of Operating Costs           Management Overhead         6%         8%         of Operating Costs           Energy and Equipment           Equipment Equity         Solution         Machine Hours         90%         90%           Unleaded Gasoline         \$1.110         \$1.140         /Gallon           Unleaded Gasoline         \$1.110         \$1.140         /Gallon           L P Gas         \$1.034         \$1.075         /Gallon           Natural Gas         \$0.37065         \$0.37065         /Cu. Ft.           Electricity         \$0.07035         \$0.05800         /kwh           Lubrication Factor         15%         15%         of Fuel Costs           Interest Rates           Oper  |                         | •       | \$10.6451 | /\$100 Assessment  |
| Land Cash Value         \$7,800         \$2,000         /Acre           Land Equity         100%         100%         Acre           Sales Tax         6%         6%         of Material Purchases           General Overhead         3%         3%         of Operating Costs           Office Overhead         2%         2%         of Operating Costs           Maintenance Overhead         3%         3%         of Operating Costs           Management Overhead         6%         8%         of Operating Costs           Energy and Equipment           Equipment Equity         90%         90%         Unleaded Gasoline         \$1.110         \$1.140         /Gallon           Unleaded Gasoline         \$1.110         \$1.140         /Gallon         /Gallon           L P Gas         \$1.034         \$1.075         /Gallon           Natural Gas         \$0.37065         \$0.37065         /Cu. Ft.           Electricity         \$0.07035         \$0.05800  |                         |         |           | • •                |
| Land Equity         100%         100%           Sales Tax         6%         6%         of Material Purchases           General Overhead         3%         3%         of Operating Costs           Office Overhead         2%         2%         of Operating Costs           Maintenance Overhead         3%         3%         of Operating Costs           Management Overhead         6%         8%         of Operating Costs           Management Equity         Solution of Operating Costs           Machine Hours         90%         90%           Unleaded Gasoline         \$1.110         \$1.140         /Gallon           Unleaded Gasoline         \$1.110         \$1.140         /Gallon           Lesel Fuel         \$0.757         \$0.800         /Gallon           L P Gas         \$1.034         \$1.075         /Gallon           Natural Gas         \$0.37065         \$0.37065         /Cu. Ft.           Electricity         \$0.07035         \$0.05800         /kwh           Lubrication Factor         15%         15%         of Fuel Costs           Interest Rates           Operating Credit         10%         10%           Long Term         6%         6%   | · ·                     | • •     | ·         |                    |
| Sales Tax         6%         6% of Material Purchases           General Overhead         3%         3% of Operating Costs           Office Overhead         2%         2% of Operating Costs           Maintenance Overhead         3%         3% of Operating Costs           Management Overhead         6%         8% of Operating Costs           Energy and Equipment         Equipment Equity           Machine Hours         90%         90%           Unleaded Gasoline         \$1.110         \$1.140         /Gallon           Diesel Fuel         \$0.757         \$0.800         /Gallon           L P Gas         \$1.034         \$1.075         /Gallon           Natural Gas         \$0.37065         \$0.37065         /Cu. Ft.           Electricity         \$0.07035         \$0.05800         /kwh           Lubrication Factor         15%         15%         of Fuel Costs           Interest Rates           Operating Credit         10%         10%           Long Term         6%         6%           Average Investment         10%         10%           Labor Benefits         FICA         7.65%         7.65%         of Cash Wages           Worker Compensation         8.45% <td></td> <td></td> <td></td> <td>/Acre</td>  |                         |         |           | /Acre              |
| General Overhead         3%         3%         of Operating Costs           Office Overhead         2%         2%         of Operating Costs           Maintenance Overhead         3%         3%         of Operating Costs           Management Overhead         6%         8%         of Operating Costs           Energy and Equipment         Strange of Operating Costs         Strange of Operating Costs           Energy and Equipment         Strange of Operating Costs           Equipment Equity         Strange of Operating Costs           Machine Hours         90%         90%           Unleaded Gasoline         \$1.110         \$1.140           Jeal Interest Full         \$0.757         \$0.800           Jeal Interest Full         \$0.37065         \$0.37065           Jeal Interest Full         \$0.37065         \$0.05800           Jeal Interest Full         \$0.07035         \$0.05800           Jeal  |                         |         |           |                    |
| Office Overhead         2%         2%         of Operating Costs           Maintenance Overhead         3%         3%         of Operating Costs           Management Overhead         6%         8%         of Operating Costs           Energy and Equipment           Equipment Equity         Machine Hours         90%         90%         90%         Unleaded Gasoline         \$1.110         \$1.140         /Gallon           L P Gas         \$1.034         \$1.075         /Gallon           L P Gas         \$1.034         \$1.075         /Gallon           Natural Gas         \$0.37065         \$0.37065         /Cu. Ft.           Electricity         \$0.07035         \$0.05800         /kwh           Lubrication Factor         15%         15%         of Fuel Costs           Interest Rates           Operating Credit         10%         10%           Long Term         6%         6%           Average Investment         10%         10%           Labor Benefits         FICA         7.65%         7.65%         of Cash Wages           FUTA         1.56%         1.56%         of Cash Wages  |                         |         |           |                    |
| Maintenance Overhead         3%         3%         of Operating Costs           Management Overhead         6%         8%         of Operating Costs           Energy and Equipment           Equipment Equity         90%         90%           Machine Hours         90%         90%           Unleaded Gasoline         \$1.110         \$1.140         /Gallon           Diesel Fuel         \$0.757         \$0.800         /Gallon           L P Gas         \$1.034         \$1.075         /Gallon           Natural Gas         \$0.37065         \$0.37065         /Cu. Ft.           Electricity         \$0.07035         \$0.05800         /kwh           Lubrication Factor         15%         15%         of Fuel Costs           Interest Rates           Operating Credit         10%         10%           Long Term         6%         6%           Average Investment         10%         10%           Labor Benefits           FICA         7.65%         7.65%         of Cash Wages           Worker Compensation         8.45%         11.28%         of Cash Wages   |                         |         |           | . 0                |
| Management Overhead         6%         8% of Operating Costs           Energy and Equipment           Equipment Equity         90%         90%           Machine Hours         90%         90%           Unleaded Gasoline         \$1.110         \$1.140         /Gallon           Diesel Fuel         \$0.757         \$0.800         /Gallon           L P Gas         \$1.034         \$1.075         /Gallon           Natural Gas         \$0.37065         \$0.37065         /Cu. Ft.           Electricity         \$0.07035         \$0.05800         /kwh           Lubrication Factor         15%         15%         of Fuel Costs           Interest Rates         Operating Credit         10%         10%           Long Term         6%         6%           Average Investment         10%         10%           Labor Benefits         FICA         7.65%         7.65%         of Cash Wages           Worker Compensation         8.45%         11.28%         of Cash Wages           FUTA         1.56%         1.56%         of Cash Wages  |                         |         |           | . •                |
| Energy and Equipment Equipment Equity Machine Hours 90% 90% Unleaded Gasoline \$1.110 \$1.140 /Gallon Diesel Fuel \$0.757 \$0.800 /Gallon L P Gas \$1.034 \$1.075 /Gallon Natural Gas \$0.37065 \$0.37065 /Cu. Ft. Electricity \$0.07035 \$0.05800 /kwh Lubrication Factor 15% 15% of Fuel Costs  Interest Rates Operating Credit 10% 10% Long Term 6% 6% Average Investment 10% 10%  Labor Benefits FICA 7.65% 7.65% of Cash Wages Worker Compensation 8.45% 11.28% of Cash Wages FUTA 1.56% of Cash Wages   |                         |         |           | . •                |
| Equipment Equity         Machine Hours       90%       90%         Unleaded Gasoline       \$1.110       \$1.140       /Gallon         Diesel Fuel       \$0.757       \$0.800       /Gallon         L P Gas       \$1.034       \$1.075       /Gallon         Natural Gas       \$0.37065       \$0.37065       /Cu. Ft.         Electricity       \$0.07035       \$0.05800       /kwh         Lubrication Factor       15%       15%       of Fuel Costs         Interest Rates         Operating Credit       10%       10%         Long Term       6%       6%         Average Investment       10%       10%         Labor Benefits         FICA       7.65%       7.65%       of Cash Wages         Worker Compensation       8.45%       11.28%       of Cash Wages         FUTA       1.56%       1.56%       of Cash Wages  | Management Overhead     | 6%      | 8%        | of Operating Costs |
| Machine Hours         90%         90%           Unleaded Gasoline         \$1.110         \$1.140         /Gallon           Diesel Fuel         \$0.757         \$0.800         /Gallon           L P Gas         \$1.034         \$1.075         /Gallon           Natural Gas         \$0.37065         \$0.37065         /Cu. Ft.           Electricity         \$0.07035         \$0.05800         /kwh           Lubrication Factor         15%         15%         of Fuel Costs           Interest Rates           Operating Credit         10%         10%           Long Term         6%         6%           Average Investment         10%         10%           Labor Benefits         7.65%         7.65%         of Cash Wages           Worker Compensation         8.45%         11.28%         of Cash Wages           FUTA         1.56%         1.56%         of Cash Wages  | Energy and Equipment    |         |           |                    |
| Unleaded Gasoline         \$1.110         \$1.140         /Gallon           Diesel Fuel         \$0.757         \$0.800         /Gallon           L P Gas         \$1.034         \$1.075         /Gallon           Natural Gas         \$0.37065         \$0.37065         /Cu. Ft.           Electricity         \$0.07035         \$0.05800         /kwh           Lubrication Factor         15%         15%         of Fuel Costs           Interest Rates           Operating Credit         10%         10%           Long Term         6%         6%           Average Investment         10%         10%           Labor Benefits           FICA         7.65%         7.65%         of Cash Wages           Worker Compensation         8.45%         11.28%         of Cash Wages           FUTA         1.56%         1.56%         of Cash Wages   | Equipment Equity        |         |           |                    |
| Diesel Fuel         \$0.757         \$0.800         /Gallon           L P Gas         \$1.034         \$1.075         /Gallon           Natural Gas         \$0.37065         \$0.37065         /Cu. Ft.           Electricity         \$0.07035         \$0.05800         /kwh           Lubrication Factor         15%         15%         of Fuel Costs           Interest Rates           Operating Credit         10%         10%           Long Term         6%         6%           Average Investment         10%         10%           Labor Benefits           FICA         7.65%         7.65%         of Cash Wages           Worker Compensation         8.45%         11.28%         of Cash Wages           FUTA         1.56%         1.56%         of Cash Wages   | Machine Hours           | 90%     | 90%       |                    |
| L P Gas       \$1.034       \$1.075       /Gallon         Natural Gas       \$0.37065       \$0.37065       /Cu. Ft.         Electricity       \$0.07035       \$0.05800       /kwh         Lubrication Factor       15%       15%       of Fuel Costs         Interest Rates         Operating Credit       10%       10%         Long Term       6%       6%         Average Investment       10%       10%         Labor Benefits         FICA       7.65%       7.65%       of Cash Wages         Worker Compensation       8.45%       11.28%       of Cash Wages         FUTA       1.56%       1.56%       of Cash Wages   | Unleaded Gasoline       | \$1.110 | \$1.140   | /Gallon            |
| Natural Gas         \$0.37065         \$0.37065         /Cu. Ft.           Electricity         \$0.07035         \$0.05800         /kwh           Lubrication Factor         15%         15%         of Fuel Costs           Interest Rates           Operating Credit         10%         10%           Long Term         6%         6%           Average Investment         10%         10%           Labor Benefits         FICA         7.65%         7.65%         of Cash Wages           Worker Compensation         8.45%         11.28%         of Cash Wages           FUTA         1.56%         1.56%         of Cash Wages   | Diesel Fuel             | \$0.757 | \$0.800   | /Gallon            |
| Solution   Solution | L P Gas                 | \$1.034 | \$1.075   | /Gallon            |
| Lubrication Factor15%15% of Fuel CostsInterest Rates10%10%Operating Credit10%10%Long Term6%6%Average Investment10%10%Labor Benefits7.65%7.65% of Cash WagesFICA7.65%7.65% of Cash WagesWorker Compensation8.45%11.28% of Cash WagesFUTA1.56%1.56% of Cash Wages   | Natural Gas             | •       | •         |                    |
| Interest Rates           Operating Credit         10%         10%           Long Term         6%         6%           Average Investment         10%         10%           Labor Benefits         7.65%         7.65% of Cash Wages           Worker Compensation         8.45%         11.28% of Cash Wages           FUTA         1.56%         1.56% of Cash Wages   | 1                       | ·       | •         |                    |
| Operating Credit         10%         10%           Long Term         6%         6%           Average Investment         10%         10%           Labor Benefits         7.65%         7.65% of Cash Wages           Worker Compensation         8.45%         11.28% of Cash Wages           FUTA         1.56%         1.56% of Cash Wages  | Lubrication Factor      | 15%     | 15%       | of Fuel Costs      |
| Long Term         6%         6%           Average Investment         10%         10%           Labor Benefits         T.65%         7.65% of Cash Wages           Worker Compensation         8.45%         11.28% of Cash Wages           FUTA         1.56%         1.56% of Cash Wages   | Interest Rates          |         |           |                    |
| Long Term         6%         6%           Average Investment         10%         10%           Labor Benefits         7.65%         7.65% of Cash Wages           Worker Compensation         8.45%         11.28% of Cash Wages           FUTA         1.56%         1.56% of Cash Wages   | Operating Credit        | 10%     | 10%       |                    |
| Average Investment 10% 10%  Labor Benefits  FICA 7.65% 7.65% of Cash Wages  Worker Compensation 8.45% 11.28% of Cash Wages  FUTA 1.56% 1.56% of Cash Wages  |                         | 6%      | 6%        |                    |
| FICA 7.65% 7.65% of Cash Wages Worker Compensation 8.45% 11.28% of Cash Wages FUTA 1.56% 1.56% of Cash Wages  | •                       | 10%     | 10%       |                    |
| Worker Compensation 8.45% 11.28% of Cash Wages FUTA 1.56% of Cash Wages   | Labor Benefits          |         |           |                    |
| Worker Compensation 8.45% 11.28% of Cash Wages FUTA 1.56% of Cash Wages   | FICA                    | 7.65%   | 7.65%     | of Cash Wages      |
| FUTA 1.56% of Cash Wages  |                         |         |           | •                  |
| <b>5</b>  | •                       |         |           |                    |
| Fringe Benefits 13% of Cash Wages   | Fringe Benefits         | 13%     | 13%       | of Cash Wages      |