

**Costs and Returns per acre from growing alfalfa hay, 2006
 Beaver County**

	Quantity per acre	Unit	Price/cost per unit	Value/cost per acre	Base Value	Your Value
Receipts						
Alfalfa hay	4.43	tons	\$88.56	\$392.32	\$392.35	
Residue	0.50	AUM	\$11.53	\$5.77	\$5.77	
Subtotal				\$398.09	\$398.12	
Operating costs						
Fertilization						
Phosphate (11-52-0)	96	pounds	\$0.18	\$17.14	\$17.14	
Custom application	1	acre	\$7.82	\$7.82	\$7.82	
Pesticides/herbicides						
Furadan	1.25	pint	\$10.50	\$13.13	\$13.13	
Custom application	1	acre	\$7.82	\$7.82	\$7.82	
Irrigation (wheel line)	5	irrigations				
Labor	1.67	hours	\$10.00	\$16.67	\$16.67	
Water assessment	1	share	\$10.00	\$10.00	\$10.00	
Repairs/maintenance	1	acre	\$2.30	\$2.30	\$2.30	
Pumping	40	acre inch	\$2.26	\$91.30	\$91.30	
Harvesting						
Swathing	3	acre	\$4.03	\$12.10	\$12.10	
Turning/raking	3	acre	\$1.39	\$4.18	\$4.18	
Baling	4.4	tons	\$4.79	\$21.22	\$21.08	
Hauling/stacking	4.4	tons	\$3.63	\$16.08	\$15.97	
Crop insurance (75% Yield, 100% Price)	1	acre	\$17.76	\$17.76	\$17.76	
Interest on operating capital			7.61%	\$5.05	\$3.12	
Subtotal				\$242.57	\$149.27	
Ownership costs (excludes cost of land)				\$77.32	\$77.32	
Farm insurance	1	acre	\$2.00	\$2.00	\$2.00	
Machinery ownership costs	1	acre	\$67.07	\$67.07	\$67.07	
Irrigation equipment costs	1	acre	\$8.25	\$8.25	\$8.25	
Total costs				\$319.88	\$215.48	
Net returns to owner for unpaid labor, management, equity and risk						
Above operating costs				\$155.52	\$248.85	
Above total listed costs				\$78.20	\$171.53	

Breakeven Table - Alfalfa Hay

Net returns per acre above operating costs

Yield (Ton/Ac)	Selling Price (\$/ton)				
	\$78.56	\$83.56	\$88.56	\$93.56	\$98.56
3.68	\$58.62	\$77.02	\$95.42	\$113.82	\$132.22
3.93	\$76.15	\$95.80	\$115.45	\$135.10	\$154.75
4.18	\$93.69	\$114.59	\$135.49	\$156.39	\$177.29
4.43	\$111.22	\$133.37	\$155.52	\$177.67	\$199.82
4.68	\$128.76	\$152.16	\$175.56	\$198.96	\$222.36
4.93	\$146.29	\$170.94	\$195.59	\$220.24	\$244.89
5.18	\$163.83	\$189.73	\$215.63	\$241.53	\$267.43

Assumptions:

1. Alfalfa already established. Harvested in June, August and September.
2. Interest computed on fertilization/herbicide costs for 6 months and other operating costs for 3 months.
3. Machinery operating costs include: fuel, oil, repairs and labor.
4. Machinery ownership costs are allocated based on equipment used for each crop.
5. Machinery ownership costs include depreciation, interest, insurance, and housing.
6. Irrigation water is pumped from a depth of 300 feet.

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