

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

	Quantity per acre	Unit	Price/cost per unit	Value/cost per acre	Base Value	Your Value
Receipts						
Alfalfa hay	4.7	tons	\$88.57	\$416.26	\$416.26	
Residue	0.25	AUM	\$11.53	\$2.88	\$2.88	
	Subtotal			\$419.15	\$419.15	
Operating costs						
Fertilization						
Phosphate (11-52-0)	96	pounds	\$0.18	\$17.14	\$17.14	
Potash (0-0-60)	42	pounds	\$0.15	\$6.30	\$6.30	
Custom application	1	acre	\$7.82	\$7.82	\$7.82	
Pesticides/herbicides						
Mustang Max	2.25	oz	\$1.87	\$4.20	\$4.20	
Lorsban	0.75	pint	\$4.85	\$3.64	\$3.64	
Velpar	2	quart	\$16.50	\$33.00	\$33.00	
Select	7	ounce	\$1.52	\$10.61	\$10.61	
Pursuit	4.50	fluid ounce	\$4.46	\$20.07	\$20.07	
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	-	share	\$10.00	\$0.00	\$0.00	
Repairs/maintenance	1	acre	\$2.30	\$2.30	\$2.30	
Pumping	43	acre inch	\$0.00	\$0.00	\$0.00	
Harvesting						
Swathing	3	acre	\$4.03	\$12.10	\$12.10	
Turning	3	acre	\$1.39	\$4.18	\$4.18	
Baling	4.70	tons	\$4.79	\$22.51	\$22.51	
Hauling/stacking	4.70	tons	\$3.63	\$17.06	\$17.06	
Interest on operating capital			7.61%	\$5.63	\$5.39	
	Subtotal			\$191.05	\$178.36	
Ownership costs (excludes cost of land)						
Farm insurance	1	acre	\$2.00	\$2.00	\$2.00	
Machinery ownership costs	1	acre	\$53.25	\$53.25	\$53.25	
Irrigation equipment costs	1	acre	\$8.25	\$8.25	\$8.25	
	Total costs			\$254.55	\$241.86	
Net returns to owner for unpaid labor, management, equity and risk						
Above operating costs				\$228.10	\$240.78	
Above total listed costs				\$164.60	\$177.29	

Breakeven Table - Alfalfa

Net returns per acre above operating costs

Yield (Ton/Ac)	Selling Price (\$/ton)				
	\$78.57	\$83.57	\$88.57	\$93.57	\$98.57
3.20	\$75.88	\$91.88	\$107.88	\$123.88	\$139.88
3.70	\$110.95	\$129.45	\$147.95	\$166.45	\$184.95
4.20	\$146.02	\$167.02	\$188.02	\$209.02	\$230.02
4.70	\$181.10	\$204.60	\$228.10	\$251.60	\$275.10
5.20	\$216.17	\$242.17	\$268.17	\$294.17	\$320.17
5.70	\$251.24	\$279.74	\$308.24	\$336.74	\$365.24
6.20	\$286.32	\$317.32	\$348.32	\$379.32	\$410.32

Assumptions

1. Alfalfa already established. Harvested in June, August, September.
2. Interest computed on fertilization/herbicide costs for 6 months and 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.

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