

**Costs and Returns per acre from establishing alfalfa in oat hay, 2006
 Iron County**

	Quantity per acre	Unit	Price/cost per unit	Value/cost per acre	Base Value	Your Value
Receipts						
Oat hay	3.4	tons	\$67.67	\$230.07	\$230.07	
Residue	0.25	AUM	\$11.53	\$2.88	\$2.88	
	Subtotal			\$232.95	\$232.95	
Operating costs						
Land preparation						
Plowing	1	acre	\$5.88	\$5.88	\$5.88	
Roller harrow	2	acre	\$3.64	\$7.28	\$7.28	
Land plane	2	acre	\$3.34	\$6.69	\$6.69	
Discing	1	acre	\$3.73	\$3.73	\$3.73	
Planting	1	acre	\$2.96	\$2.96	\$2.96	
Seed						
Oat seed	80	pounds	\$0.17	\$13.60	\$13.60	
Alfalfa seed	16	pounds	\$2.52	\$40.32	\$40.32	
Fertilization						
Nitrogen (34-0-0)	278	pounds	\$0.18	\$49.62	\$49.62	
Phosphate (11-52-0)	48	pounds	\$0.18	\$8.57	\$8.57	
Custom application	1	acre	\$7.82	\$7.82	\$7.82	
Pesticides/herbicides						
2-4-D	-	pint	\$2.75	\$0.00	\$0.00	
Custom application	-	acre	\$7.82	\$0.00	\$0.00	
Irrigation (wheel line)						
Labor	1.33	hours	\$10.00	\$13.33	\$13.33	
Water assessment	1	share	\$10.00	\$10.00	\$10.00	
Repairs/maintenance	1	acre	\$2.30	\$2.30	\$2.30	
Pumping	43	acre inch	\$0.00	\$0.00	\$0.00	
Harvesting						
Swathing	1	acre	\$4.03	\$4.03	\$4.03	
Turning/raking	1	acre	\$1.39	\$1.39	\$1.39	
Baling	3.40	tons	\$4.79	\$16.29	\$16.29	
Hauling/stacking	3.40	tons	\$3.63	\$12.34	\$12.34	
Interest on operating capital			7.61%	\$7.43	\$7.43	
	Subtotal			\$213.59	\$200.66	
Ownership costs (excludes cost of land)						
Farm insurance	1	acre	\$2.00	\$2.00	\$2.00	
Machinery ownership costs	1	acre	\$73.56	\$73.56	\$73.56	
Irrigation equipment costs	1	acre	\$8.25	\$8.25	\$8.25	
	Total costs			\$297.40	\$284.47	
Net returns to owner for unpaid labor, management, equity and risk						
Above operating costs				\$19.36	\$32.29	
Above total listed costs				-\$64.45	-\$51.52	

Assumptions

- Oats planted in late March and harvested in July.
- Interest computed on land preparation and planting costs for 10 months and fertilization/herbicide/irrigation costs for 4 months.
- Machinery operating costs include: fuel, oil, repairs and labor.
- Machinery ownership costs are allocated based on equipment used for each crop.
- Machinery ownership costs include depreciation, interest, insurance, and housing.

Budget prepared by: E. Bruce Godfrey, Cody Bingham and Chad Reid