

**Costs and Returns per acre from establishing alfalfa in 2006**  
**Millard County - Delta**

	Quantity per acre	Unit	Price/cost per unit	Value/cost per acre	Base Value	Your Value
<b>Receipts</b>						
Alfalfa hay	1.5	tons	\$88.57	\$132.85	\$132.85	
Residue	-	AUM	\$11.53	\$0.00	\$0.00	
				\$132.85	\$132.85	
<b>Operating costs</b>						
Land preparation						
Discing	2	acre	\$3.73	\$7.47	\$7.47	
Laser level	1	acre	\$65.00	\$65.00	\$65.00	
Planting	1	acre	\$2.96	\$2.96	\$2.96	
Seed						
Alfalfa seed	18	pounds	\$2.52	\$45.36	\$45.36	
Fertilization						
Nitrogen (34-0-0)	-	pounds	\$0.18	\$0.00	\$0.00	
Phosphate (11-52-0)	200	pounds	\$0.18	\$35.70	\$35.70	
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	\$20.00	\$20.00	\$20.00	
Repairs/maintenance	1	acre	\$2.30	\$2.30	\$2.30	
Pumping	46	acre inch	\$0.00	\$0.00	\$0.00	
Harvesting						
Swathing	1	acre	\$4.03	\$4.03	\$4.03	
Raking	1	acre	\$1.39	\$1.39	\$1.39	
Baling	1.50	tons	\$4.79	\$7.19	\$7.19	
Hauling/stacking	1.50	tons	\$3.63	\$5.45	\$5.45	
Crop insurance (75% Yield, 100% Price)	1	acre	\$5.63	\$5.63	\$5.63	
Interest on operating capital			7.61%	\$9.17	\$9.17	
				\$232.80	\$228.97	
<b>Ownership costs (excludes cost of land)</b>						
Farm insurance	1	acre	\$2.00	\$2.00	\$2.00	
Machinery ownership costs	1	acre	\$58.96	\$58.96	\$58.96	
Irrigation equipment costs	1	acre	\$8.25	\$8.25	\$8.25	
				\$302.01	\$298.18	
<b>Total costs</b>						
Net returns to owner for unpaid labor, management, equity and risk						
Above operating costs					-\$99.95	-\$96.12
Above total listed costs					-\$169.16	-\$165.33

**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
0.00	-\$220.17	-\$220.17	-\$220.17	-\$220.17	-\$220.17
0.50	-\$185.09	-\$182.59	-\$180.09	-\$177.59	-\$175.09
1.00	-\$150.02	-\$145.02	-\$140.02	-\$135.02	-\$130.02
1.50	-\$114.95	-\$107.45	-\$99.95	-\$92.45	-\$84.95
2.00	-\$79.87	-\$69.87	-\$59.87	-\$49.87	-\$39.87
2.50	-\$44.80	-\$32.30	-\$19.80	-\$7.30	\$5.20
3.00	-\$9.73	\$5.27	\$20.27	\$35.27	\$50.27

Assumptions

1. Alfalfa planted in late April and harvested in August.
2. Interest computed on land preparation and planting costs for 10 months and fertilization/herbicide/irrigation 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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