

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

	Quantity per acre	Unit	Price/cost per unit	Value/cost per acre	Base Value	Your Value
<b>Receipts</b>						
Alfalfa hay	1.25	tons	\$88.57	\$110.71	\$110.71	
Residue	-	AUM	\$11.53	\$0.00	\$0.00	
				\$110.71	\$110.71	
<b>Operating costs</b>						
Land preparation						
Discing	1	acre	\$3.73	\$3.73	\$3.73	
Roller harrow	1	acre	\$3.64	\$3.64	\$3.64	
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	1.25	tons	\$4.79	\$5.99	\$5.99	
Hauling/stacking	1.25	tons	\$3.63	\$4.54	\$4.54	
Crop insurance (75% Yield, 100% Price)	1	acre	\$5.63	\$5.63	\$5.63	
Interest on operating capital			7.61%	\$5.04	\$5.04	
				\$161.47	\$158.84	
<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	
				\$230.68	\$228.05	
<b>Total costs</b>						
Net returns to owner for unpaid labor, management, equity and risk						
Above operating costs					-\$50.76	-\$48.13
Above total listed costs					-\$119.97	-\$117.34

**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
-0.25	-\$168.48	-\$169.73	-\$170.98	-\$172.23	-\$173.48
0.25	-\$133.41	-\$132.16	-\$130.91	-\$129.66	-\$128.41
0.75	-\$98.33	-\$94.58	-\$90.83	-\$87.08	-\$83.33
1.25	-\$63.26	-\$57.01	-\$50.76	-\$44.51	-\$38.26
1.75	-\$28.19	-\$19.44	-\$10.69	-\$1.94	\$6.81
2.25	\$6.89	\$18.14	\$29.39	\$40.64	\$51.89
2.75	\$41.96	\$55.71	\$69.46	\$83.21	\$96.96

**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.

Budget prepared by: E. Bruce Godfrey, Cody Bingham and Craig Poulson