

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

	Quantity per acre	Unit	Price/cost per unit	Value/cost per acre	Base Value	Your Value
<b>Receipts</b>						
Alfalfa hay	2.0	tons	\$88.57	\$172.71	\$172.71	
Residue	0.25	AUM	\$11.53	\$2.88	\$2.88	
	<b>Subtotal</b>			\$175.59	\$175.59	
<b>Operating costs</b>						
Fertilization						
Phosphate (11-52-0)	96	pounds	\$0.18	\$17.14	\$17.14	
Custom application	1	acre	\$7.82	\$7.82	\$7.82	
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	29	acre inch	\$0.00	\$0.00	\$0.00	
Harvesting						
Swathing	2	acre	\$4.03	\$8.07	\$8.07	
Turning/raking	2	acre	\$1.39	\$2.78	\$2.78	
Baling	2.00	tons	\$4.79	\$9.58	\$9.58	
Hauling/stacking	2.00	tons	\$3.63	\$7.26	\$7.26	
Interest on operating capital			7.61%	\$1.96	\$1.91	
	<b>Subtotal</b>			\$80.25	\$77.14	
Ownership costs (excludes cost of land)						
Farm insurance	1	acre	\$2.00	\$2.00	\$2.00	
Machinery ownership costs	1	acre	\$101.57	\$101.57	\$101.57	
Irrigation equipment costs	1	acre	\$8.25	\$8.25	\$8.25	
	<b>Total costs</b>			\$192.06	\$188.95	
Net returns to owner for unpaid labor, management, equity and risk						
Above operating costs				\$95.34	\$98.45	
Above total listed costs				-\$16.47	-\$13.36	

**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
0.45	-\$28.96	-\$26.71	-\$24.46	-\$22.21	-\$19.96
0.95	\$6.12	\$10.87	\$15.62	\$20.37	\$25.12
1.45	\$41.19	\$48.44	\$55.69	\$62.94	\$70.19
1.95	\$76.26	\$86.01	\$95.76	\$105.51	\$115.26
2.45	\$111.34	\$123.59	\$135.84	\$148.09	\$160.34
2.95	\$146.41	\$161.16	\$175.91	\$190.66	\$205.41
3.45	\$181.48	\$198.73	\$215.98	\$233.23	\$250.48

Assumptions

1. Alfalfa already established. Harvested in June - September.
2. Interest computed on fertilization 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.

Budget prepared by: E. Bruce Godfrey, Cody Bingham and Darrell Rothlisberger