

**Costs and Returns per acre from growing oat hay, 2006
Sevier County**

	Quantity per acre	Unit	Price/cost per unit	Value/cost per acre	Base Value	Your Value
Receipts						
Oat hay	2.3	tons	\$67.67	\$155.63	\$155.63	
Residue	-	AUM	\$0.00	\$0.00	\$0.00	
	Subtotal			\$155.63	\$155.63	
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	1	acre	\$3.34	\$3.34	\$3.34	
Discing	1	acre	\$3.73	\$3.73	\$3.73	
Planting	1	acre	\$2.96	\$2.96	\$2.96	
Seed	100	pounds	\$0.17	\$17.00	\$17.00	
Fertilization						
Nitrogen (34-0-0)	221	pounds	\$0.18	\$39.36	\$39.36	
Custom application	1	acre	\$7.82	\$7.82	\$7.82	
Pesticides/herbicides						
2-4-D	1.25	pints	\$2.75	\$3.44	\$3.44	
Custom application	1	acre	\$7.82	\$7.82	\$7.82	
Irrigation (wheel line)						
Labor	0.67	hours	\$10.00	\$6.67	\$6.67	
Water assessment	1	share	\$15.00	\$15.00	\$15.00	
Repairs/maintenance	1	acre	\$2.30	\$2.30	\$2.30	
Pumping	28	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	2.30	tons	\$4.79	\$11.02	\$11.02	
Hauling/stacking	2.30	tons	\$3.63	\$8.35	\$8.35	
Interest on operating capital			7.61%	\$4.64	\$4.64	
	Subtotal			\$152.04	\$144.38	
Ownership costs (excludes cost of land)						
Insurance	1	acre	\$2.00	\$2.00	\$2.00	
Machinery ownership costs	1	acre	\$111.93	\$111.93	\$111.93	
Irrigation equipment costs	1	acre	\$8.25	\$8.25	\$8.25	
	Total costs			\$274.22	\$266.56	
Net returns to owner for unpaid labor, management, equity and risk						
Above operating costs				\$3.60	\$11.26	
Above total listed costs				-\$118.59	-\$110.92	

Breakeven Table - Oat Hay

Net returns per acre above operating costs

Yield (Ton/Ac)	Selling Price (\$/ton)				
	\$57.67	\$62.67	\$67.67	\$72.67	\$77.67
0.80	-\$93.27	-\$89.27	-\$85.27	-\$81.27	-\$77.27
1.30	-\$68.65	-\$62.15	-\$55.65	-\$49.15	-\$42.65
1.80	-\$44.03	-\$35.03	-\$26.03	-\$17.03	-\$8.03
2.30	-\$19.40	-\$7.90	\$3.60	\$15.10	\$26.60
2.80	\$5.22	\$19.22	\$33.22	\$47.22	\$61.22
3.30	\$29.84	\$46.34	\$62.84	\$79.34	\$95.84
3.80	\$54.47	\$73.47	\$92.47	\$111.47	\$130.47

Assumptions

- Oats planted in 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.