

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

Summit County

	Quantity per acre	Unit	Price/cost per unit	Value/cost per acre	Base Value	Your Value
Receipts						
Oat hay	1.8	tons	\$67.67	\$121.80	\$121.80	
Residue	0.50	AUM	\$11.53	\$5.77	\$5.77	
	Subtotal			\$127.57	\$127.57	
Operating costs						
Land preparation						
Plowing	1	acre	\$22.78	\$22.78	\$22.78	
Discing w/ harrow	2	acre	\$11.56	\$23.12	\$23.12	
Planting	1	acre	\$12.21	\$12.21	\$12.21	
Seed						
Oat seed	100	pounds	\$0.17	\$17.00	\$17.00	
Alfalfa seed	16	pounds	\$2.52	\$40.32	\$40.32	
Fertilization						
Nitrogen (34-0-0)	132	pounds	\$0.18	\$23.56	\$23.56	
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	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	\$15.00	\$15.00	\$15.00	
Repairs/maintenance	1	acre	\$2.30	\$2.30	\$2.30	
Pumping	30	acre inch	\$0.00	\$0.00	\$0.00	
Harvesting						
Swathing	1	acre	\$15.56	\$15.56	\$15.56	
Raking/turning	1	acre	\$4.69	\$4.69	\$4.69	
Baling	1.80	tons	\$4.79	\$8.62	\$8.62	
Hauling/stacking	1.80	tons	\$3.63	\$6.53	\$6.53	
Interest on operating capital			7.61%	\$9.31	\$9.31	
	Subtotal			\$238.55	\$262.69	
Ownership costs (excludes cost of land)						
Insurance	1	acre	\$2.00	\$2.00	\$2.00	
Machinery ownership costs	1	acre	\$58.65	\$58.65	\$58.65	
Irrigation equipment costs	1	acre	\$8.25	\$8.25	\$8.25	
	Total costs			\$307.44	\$331.58	
Net returns to owner for unpaid labor, management, equity and risk						
Above operating costs				-\$110.98	-\$135.12	
Above total listed costs				-\$179.88	-\$204.01	

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
0.30	-\$202.85	-\$201.35	-\$199.85	-\$198.35	-\$196.85
0.80	-\$178.23	-\$174.23	-\$170.23	-\$166.23	-\$162.23
1.30	-\$153.61	-\$147.11	-\$140.61	-\$134.11	-\$127.61
1.80	-\$128.98	-\$119.98	-\$110.98	-\$101.98	-\$92.98
2.30	-\$104.36	-\$92.86	-\$81.36	-\$69.86	-\$58.36
2.80	-\$79.74	-\$65.74	-\$51.74	-\$37.74	-\$23.74
3.30	-\$55.11	-\$38.61	-\$22.11	-\$5.61	\$10.89

Assumptions

1. Oats and alfalfa planted in March and harvested in July.
2. Interest computed on land preparation and planting costs for 10 months and fertilization/herbicide/irrigation costs for 4 months.
3. Custom rates for all field operations.
4. Only owned machinery are a loader and truck.