

**Costs and Returns per acre from growing first year alfalfa hay, 2006  
Uintah 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	\$177.13	\$177.13	
Residue	0.50	AUM	\$11.53	\$5.77	\$5.77	
				\$182.90	\$182.90	
<b>Subtotal</b>						
<b>Operating costs</b>						
Land preparation						
Plowing	1	acre	\$5.88	\$5.88	\$5.88	
Discing	1	acre	\$3.73	\$3.73	\$3.73	
Field cultivation	1	acre	\$3.64	\$3.64	\$3.64	
Plant (drill)	1	acre	\$2.96	\$2.96	\$2.96	
Seed	16	pounds	\$2.52	\$40.32	\$40.32	
Fertilization						
Phosphate (11-52-0)	385	pounds	\$0.18	\$68.72	\$68.72	
Potassium (0-0-60)	333	pounds	\$0.15	\$49.95	\$49.95	
Custom application	1	acre	\$7.82	\$7.82	\$7.82	
Pesticides/herbicides						
Sencor	-	pint	\$13.00	\$0.00	\$0.00	
Custom application	-	acre	\$7.82	\$0.00	\$0.00	
Irrigation (center pivot)						
Labor	2.67	hours	\$10.00	\$26.67	\$26.67	
Water assessment	1	share	\$10.00	\$10.00	\$10.00	
Repairs/maintenance	1	acre	\$2.30	\$2.30	\$2.30	
Pumping	30	acre inch	\$0.00	\$0.00	\$0.00	
Harvesting						
Swathing	2	acre	\$4.03	\$8.07	\$8.07	
Turning	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	
Crop insurance (75% Yield, 100% Price)	1	acre	\$5.63	\$5.63	\$5.63	
Interest on operating capital			7.61%	\$6.73	\$6.73	
				\$262.06	\$259.19	
<b>Subtotal</b>						
Ownership costs (excludes cost of land)						
Insurance	1	acre	\$2.00	\$2.00	\$2.00	
Machinery ownership costs	1	acre	\$140.96	\$140.96	\$140.96	
Irrigation equipment costs	1	acre	\$8.25	\$8.25	\$8.25	
				\$413.27	\$410.40	
<b>Total costs</b>						
Net returns to owner for unpaid labor, management, equity and risk						
Above operating costs				-\$79.16	-\$76.29	
Above total listed costs				-\$230.37	-\$227.50	

**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
0.50	-\$204.38	-\$201.88	-\$199.38	-\$196.88	-\$194.38
1.00	-\$169.30	-\$164.30	-\$159.30	-\$154.30	-\$149.30
1.50	-\$134.23	-\$126.73	-\$119.23	-\$111.73	-\$104.23
2.00	-\$99.16	-\$89.16	<b>-\$79.16</b>	-\$69.16	-\$59.16
2.50	-\$64.08	-\$51.58	-\$39.08	-\$26.58	-\$14.08
3.00	-\$29.01	-\$14.01	\$0.99	\$15.99	\$30.99
3.50	\$6.06	\$23.56	\$41.06	\$58.56	\$76.06

Assumptions

1. Alfalfa planted in May. Harvested in July and September.
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 Boyd Kitchen