

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

**Utah County**

	Quantity per acre	Unit	Price/cost per unit	Value/cost per acre	Base Value	Your Value
<b>Receipts</b>						
Alfalfa hay	4.3	tons	\$88.57	\$380.84	\$380.84	
Residue	-	AUM	\$0.00	\$0.00	\$0.00	
	<b>Subtotal</b>			\$380.84	\$380.84	
<b>Operating costs</b>						
Fertilization						
Phosphate (11-52-0)	96	pounds	\$0.18	\$17.14	\$17.14	
Potash (0-0-60)	50	pounds	\$0.15	\$7.50	\$7.50	
Custom application	1	acre	\$7.82	\$7.82	\$7.82	
Pesticides/herbicides						
Furadan	1	pint	\$10.50	\$10.50	\$10.50	
Custom application	1	acre	\$7.82	\$7.82	\$7.82	
Irrigation (wheel line)						
Labor	1.67	hours	\$10.00	\$16.67	\$16.67	
Water assessment	1	share	\$10.00	\$10.00	\$10.00	
Repairs/maintenance	1	acre	\$2.30	\$2.30	\$2.30	
Pumping	37	acre inch	\$0.00	\$0.00	\$0.00	
Harvesting						
Swathing	3	acre	\$4.03	\$12.10	\$12.10	
Turning/raking	3	acre	\$1.39	\$4.18	\$4.18	
Baling	4.30	tons	\$4.79	\$20.60	\$20.60	
Hauling/stacking	4.30	tons	\$3.63	\$15.61	\$15.61	
Crop insurance (75% Yield, 100% Price)	1	acre	\$17.22	\$17.22	\$17.22	
Interest on operating capital			7.61%	\$3.48	\$3.28	
	<b>Subtotal</b>			\$152.93	\$142.20	
Ownership costs (excludes cost of land)						
Insurance	1	acre	\$2.00	\$2.00	\$2.00	
Machinery ownership costs	1	acre	\$126.25	\$126.25	\$126.25	
Irrigation equipment costs	1	acre	\$8.25	\$8.25	\$8.25	
	<b>Total costs</b>			\$289.43	\$278.70	
Net returns to owner for unpaid labor, management, equity and risk						
Above operating costs				\$227.91	\$238.64	
Above total costs				\$91.41	\$102.14	

**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
2.80	\$79.69	\$93.69	\$107.69	\$121.69	\$135.69
3.30	\$114.76	\$131.26	\$147.76	\$164.26	\$180.76
3.80	\$149.83	\$168.83	\$187.83	\$206.83	\$225.83
4.30	\$184.91	\$206.41	\$227.91	\$249.41	\$270.91
4.80	\$219.98	\$243.98	\$267.98	\$291.98	\$315.98
5.30	\$255.05	\$281.55	\$308.05	\$334.55	\$361.05
5.80	\$290.13	\$319.13	\$348.13	\$377.13	\$406.13

Assumptions

1. Alfalfa already established. Harvested in June, August, September.
2. Interest computed on fertilization/herbicide 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.

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