

**Costs and Returns per acre from growing grass hay, 2006
Daggett County**

	Quantity per acre	Unit	Price/cost per unit	Value/cost per acre	Base Value	Your Value
Receipts						
Grass hay	1.3	tons	\$67.67	\$86.61	\$86.61	
Residue	2.00	AUM	\$11.53	\$23.07	\$23.07	
Subtotal				\$109.68	\$109.68	
Operating costs						
Fertilization						
Nitrogen (46-0-0)	100	pounds	\$0.18	\$17.85	\$17.85	
Custom application	1	acre	\$7.82	\$7.82	\$7.82	
Irrigation (flood)						
Labor	0.67	hours	\$10.00	\$6.67	\$6.67	
Water assessment	1	share	\$10.00	\$10.00	\$10.00	
Repairs/maintenance	1	acre	\$2.30	\$2.30	\$2.30	
Pumping	27	acre inch	\$0.00	\$0.00	\$0.00	
Harvesting						
Swathing	1	acre	\$4.03	\$4.03	4.03	
Baling	1.30	tons	\$4.79	\$6.23	\$6.23	
Hauling/stacking	1.30	tons	\$3.63	\$4.72	\$4.72	
Interest on operating capital			7.61%	\$1.34	\$1.34	
Subtotal				\$60.95	\$58.01	
Ownership costs (excludes cost of land)						
Farm insurance	1	acre	\$2.00	\$2.00	\$2.00	
Machinery ownership costs	1	acre	\$0.00	\$0.00	\$0.00	
Irrigation equipment costs	1	acre	\$8.25	\$8.25	\$8.25	
Total costs				\$71.20	\$68.26	
Net returns to owner for unpaid labor, management, equity and risk						
Above operating costs				\$48.73	\$51.67	
Above total listed costs				\$38.48	\$41.42	

Breakeven Table - Grass Hay

Net returns per acre above operating costs

Yield (Ton/Ac)	Selling Price (\$/ton)				
	\$57.67	\$62.67	\$67.67	\$72.67	\$77.67
0.03	-\$25.46	-\$25.31	-\$25.16	-\$25.01	-\$24.86
0.28	-\$13.15	-\$11.75	-\$10.35	-\$8.95	-\$7.55
0.78	\$11.47	\$15.37	\$19.27	\$23.17	\$27.07
1.28	\$36.09	\$42.49	\$48.89	\$55.29	\$61.69
1.78	\$60.72	\$69.62	\$78.52	\$87.42	\$96.32
2.28	\$85.34	\$96.74	\$108.14	\$119.54	\$130.94
2.78	\$109.96	\$123.86	\$137.76	\$151.66	\$165.56

Assumptions

1. Grass already established. Harvested in June - 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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