

**Costs and Returns per acre from growing irrigated alfalfa hay, 2006
San Juan County**

	Quantity per acre	Unit	Price/cost per unit	Value/cost per acre	Base Value	Your Value
Receipts						
Alfalfa hay	2.6	tons	\$88.57	\$230.27	\$230.27	
Residue	-	AUM	\$0.00	\$0.00	\$0.00	
	Subtotal			\$230.27	\$230.27	
Operating costs						
Fertilization						
Phosphate (11-52-0)	96	pounds	\$0.18	\$17.14	\$17.14	
Custom application	1	acre	\$7.82	\$7.82	\$7.82	
Pesticides/herbicides						
Furadan	1.00	pint	\$10.50	\$10.50	\$10.50	
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	\$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	\$15.56	\$46.68	\$46.68	
Turning	3	acre	\$4.69	\$14.07	\$14.07	
Baling	2.60	tons	\$4.79	\$12.45	\$12.45	
Hauling/stacking	2.60	tons	\$3.63	\$9.44	\$9.44	
Interest on operating capital			7.61%	\$3.71	\$4.37	
	Subtotal			\$155.26	\$190.79	
Ownership costs (excludes cost of land)						
Farm insurance	1	acre	\$2.00	\$2.00	\$2.00	
Machinery ownership costs	1	acre	\$33.78	\$33.78	\$33.78	
Irrigation equipment costs	1	acre	\$8.25	\$8.25	\$8.25	
	Total costs			\$199.29	\$234.82	
Net returns to owner for unpaid labor, management, equity and risk						
Above operating costs				\$75.02	\$39.49	
Above total listed costs				\$30.98	-\$4.55	

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
1.10	-\$56.20	-\$50.70	-\$45.20	-\$39.70	-\$34.20
1.60	-\$21.13	-\$13.13	-\$5.13	\$2.87	\$10.87
2.10	\$13.94	\$24.44	\$34.94	\$45.44	\$55.94
2.60	\$49.02	\$62.02	\$75.02	\$88.02	\$101.02
3.10	\$84.09	\$99.59	\$115.09	\$130.59	\$146.09
3.60	\$119.16	\$137.16	\$155.16	\$173.16	\$191.16
4.10	\$154.24	\$174.74	\$195.24	\$215.74	\$236.24

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. Custom rates for all field operations.
4. Only owned machinery are a loader and truck.

Budget prepared by: E. Bruce Godfrey, Cody Bingham and Jim Keyes