

**Costs and Returns per acre from establishing alfalfa after barley, 2006
 Sevier County**

	Quantity per acre	Unit	Price/cost per unit	Value/cost per acre	Base Value	Your Value
Receipts						
Barley	89.0	bushels	\$2.27	\$201.67	\$201.67	
Straw	0.80	tons	\$43.00	\$34.40	\$34.40	
				\$236.07	\$236.07	
Operating costs						
Land preparation						
Plowing	1	acre	\$5.88	\$5.88	\$5.88	
Roller harrow	2	acre	\$3.64	\$7.28	\$7.28	
Discing	1	acre	\$3.73	\$3.73	\$3.73	
Land plane	1	acre	\$3.34	\$3.34	\$3.34	
Planting	1	acre	\$2.96	\$2.96	\$2.96	
Seed						
Barley seed	100	pounds	\$0.17	\$17.00	\$17.00	
Alfalfa seed	16	pounds	\$2.52	\$40.32	\$40.32	
Fertilization						
Nitrogen (34-0-0)	221	pounds	\$0.18	\$39.45	\$39.45	
Custom application	1	acre	\$7.82	\$7.82	\$7.82	
Pesticides/herbicides						
2-4-D	1.25	pint	\$2.75	\$3.44	\$3.44	
Puma	0.67	pint	\$25.00	\$16.75	\$16.75	
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	41	acre inch	\$0.00	\$0.00	\$0.00	
Harvesting						
Custom combine	1	acre	\$26.00	\$26.00	\$26.00	
Haul grain (custom)	89.0	bushel	\$0.06	\$5.34	\$5.34	
Baling	0.80	tons	\$4.79	\$3.83	\$3.83	
Haul/stack straw	0.80	tons	\$3.63	\$2.90	\$2.90	
Crop insurance (75% Yield, 100% Price)	1	acre	\$5.63	\$5.63	\$5.63	
Interest on operating capital			7.61%	\$9.14	\$9.14	
				\$239.27	\$239.76	
Ownership costs (excludes cost of land)						
Insurance	1	acre	\$2.00	\$2.00	\$2.00	
Machinery ownership costs	1	acre	\$90.10	\$90.10	\$90.10	
Irrigation equipment costs	1	acre	\$8.25	\$8.25	\$8.25	
				\$339.62	\$340.12	
Total costs						
Net returns to owner for unpaid labor, management, equity and risk						
Above operating costs					-\$3.20	-\$3.69
Above total listed costs					-\$103.55	-\$104.04

Breakeven Table - Barley
 Net returns per acre above operating costs

Yield (Bu/Ac)	Selling Price (\$/Bu)				
	\$1.27	\$1.77	\$2.27	\$2.77	\$3.27
74.00	-\$110.29	-\$73.29	-\$36.29	\$0.71	\$37.71
79.00	-\$104.26	-\$64.76	-\$25.26	\$14.24	\$53.74
84.00	-\$98.23	-\$56.23	-\$14.23	\$27.77	\$69.77
89.00	-\$92.20	-\$47.70	-\$3.20	\$41.30	\$85.80
94.00	-\$86.17	-\$39.17	\$7.83	\$54.83	\$101.83
99.00	-\$80.14	-\$30.64	\$18.86	\$68.36	\$117.86
104.00	-\$74.11	-\$22.11	\$29.89	\$81.89	\$133.89

Assumptions

1. Grain and alfalfa planted in April and harvested in August.
2. Interest computed on land preparation and planting costs for 10 months and fertilization/herbicides/irrigation costs for 6 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 David Drake

