

Costs and Returns per acre from growing oat hay, 2006

Utah County

	Quantity per acre	Unit	Price/cost per unit	Value/cost per acre	Base Value	Your Value
Receipts						
Oat hay	2.6	tons	\$67.67	\$175.93	\$175.93	
Residue	-	AUM	\$11.53	\$0.00	\$0.00	
	Subtotal			\$175.93	\$175.93	
Operating costs						
Land preparation						
Plowing	1	acre	\$5.88	\$5.88	\$5.88	
Land plane	1	acre	\$3.34	\$3.34	\$3.34	
Roller harrow	2	acre	\$3.64	\$7.28	\$7.28	
Discing	1	acre	\$3.73	\$3.73	\$3.73	
Planting	1	acre	\$2.96	\$2.96	\$2.96	
Seed	80	pounds	\$0.17	\$13.60	\$13.60	
Fertilization						
Nitrogen (34-0-0)	278	pounds	\$0.18	\$49.62	\$49.62	
Phosphate (11-52-0)	48	pounds	\$0.18	\$8.57	\$8.57	
Custom application	1	acre	\$7.82	\$7.82	\$7.82	
Pesticides/herbicides						
2-4-D	2.33	pints	\$2.75	\$6.41	\$6.41	
Custom application	1	acre	\$7.82	\$7.82	\$7.82	
Irrigation (wheel line)						
Labor	1.00	hours	\$10.00	\$10.00	\$10.00	
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	1	acre	\$4.03	\$4.03	\$4.03	
Turning/raking	1	acre	\$1.39	\$1.39	\$1.39	
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%	\$4.94	\$4.94	
	Subtotal			\$171.60	\$162.50	
Ownership costs (excludes cost of land)						
Insurance	1	acre	\$2.00	\$2.00	\$2.00	
Machinery ownership costs	1	acre	\$143.13	\$143.13	\$143.13	
Irrigation equipment costs	1	acre	\$8.25	\$8.25	\$8.25	
	Total costs			\$324.98	\$315.88	
Net returns to owner for unpaid labor, management, equity and risk						
Above operating costs				\$4.33	\$13.43	
Above total costs				-\$149.05	-\$139.95	

Breakeven Table - Oat Hay

Net returns per acre above operating costs

Yield (Ton/Ac)	Selling Price (\$/ton)				
	\$57.67	\$62.67	\$67.67	\$72.67	\$77.67
1.10	-\$95.54	-\$90.04	-\$84.54	-\$79.04	-\$73.54
1.60	-\$70.92	-\$62.92	-\$54.92	-\$46.92	-\$38.92
2.10	-\$46.29	-\$35.79	-\$25.29	-\$14.79	-\$4.29
2.60	-\$21.67	-\$8.67	\$4.33	\$17.33	\$30.33
3.10	\$2.95	\$18.45	\$33.95	\$49.45	\$64.95
3.60	\$27.58	\$45.58	\$63.58	\$81.58	\$99.58
4.10	\$52.20	\$72.70	\$93.20	\$113.70	\$134.20

Assumptions

- Oats planted in late September and harvested in July.
- Interest computed on land preparation and planting costs for 10 months and fertilization/herbicide/irrigation costs for 4 months.
- Machinery operating costs include: fuel, oil, repairs and labor.
- Machinery ownership costs are allocated based on equipment used for each crop.
- Machinery ownership costs include depreciation, interest, insurance, and housing.

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