



San Luis Valley - Alfalfa (Sprinkler Irrigation)

2015

Estimated Production Costs & Returns

**GROSS RECEIPTS FROM PRODUCTION**

GROSS RECEIPTS	UNIT	PRICE	YIELD	PER ACRE	PER TON	YOUR FARM
Alfalfa Hay (large square bales)	tons	\$140.00	4.7	\$658	\$140.00	
<b>Total Receipts</b>				<b>\$658</b>		<b>\$0</b>

**DIRECT COSTS**

	UNIT	COST PER UNIT	QUANTITY	PER ACRE	PER TON	YOUR FARM
<b>OPERATING PREHARVEST</b>						
Establishment (5-year allocation)	acre	0.00	1	55.00	11.70	
Fertilizer (annual application)	lbs	0.08	150	11.25	2.39	
Custom Application	acre	10.00	1	10.00	2.13	
<b>Herbicide</b>						
Roundup	acre	4.50	1	4.50	0.96	
Application	dollars	10.00	1	10.00	2.13	
<b>Irrigation</b>						
Water Assessment	acre	10.00	1	10.00	2.13	
Labor (5 irrigations)	dollars	30.00	1	30.00	6.38	
Energy for Sprinkler	acre	26.00	1	26.00	5.53	
Crop Insurance (NAP)	dollars	5.00	1	5.00	1.06	
Fuel	dollars	0.00	1	0.00	0.00	
Repairs on Sprinkler	acre	10.00	1	10.00	2.13	
Interest (6 months @ 6.0%)	dollars	3.17	1	3.17	0.67	
<b>Total Pre-Harvest Expenses</b>				<b>\$119.92</b>	<b>\$25.51</b>	<b>\$0.00</b>
<b>HARVEST COSTS (CUSTOM)</b>						
Swath (3 cuttings)	acre	12.00	3	36.00	7.66	
Rake	acre	2.50	3	7.50	1.60	
Bale (4x4 large bales, 1800 lbs)	bale	5.00	5.2	26.11	5.56	
Hauling	ton	2.00	4.7	9.40	2.00	
<b>Total Harvest Costs</b>				<b>\$79.01</b>	<b>\$16.81</b>	<b>\$0.00</b>
<b>Total Operating Costs</b>				<b>\$198.93</b>	<b>\$42.33</b>	<b>\$0.00</b>
<b>PROPERTY &amp; OWNERSHIP COSTS</b>						
General Farm Overhead	dollars	15.00	1	15.00	3.19	
Depreciation (Sprinkler)	dollars	75.18	1	75.18	16.00	
Real Estate Taxes	dollars	16.00	1	16.00	3.40	
<b>Total Property &amp; Ownership Costs</b>				<b>\$106.18</b>	<b>\$22.59</b>	<b>\$0.00</b>
<b>TOTAL DIRECT COSTS</b>				<b>\$305.11</b>	<b>\$64.92</b>	<b>\$0.00</b>
<b>NET RECEIPTS BEFORE FACTOR PAYMENTS</b>				<b>\$352.89</b>	<b>\$75.08</b>	<b>\$0.00</b>
<b>FACTOR PAYMENTS</b>						
Land (\$5,000 @ 4%)				200.00	42.55	
<b>RETURN TO MANAGEMENT &amp; RISK</b>				<b>\$152.89</b>	<b>\$32.53</b>	<b>\$0.00</b>

**BREAKEVEN ANALYSIS - PER ACRE RETURNS OVER TOTAL DIRECT COSTS (\$/ACRE)**

ALTERNATIVE YIELDS		ALTERNATIVE PRICES (\$/ton)				
		-25%	-10%	10%	25%	
	TONS PER ACRE	\$105.00	\$126.00	\$140.00	\$154.00	\$175.00
-25%	3.5	\$65.02	\$139.04	\$188.39	\$237.74	\$311.77
-10%	4.2	\$139.04	\$227.87	\$287.09	\$346.31	\$435.14
10%	5.2	\$237.74	\$346.31	\$418.69	\$491.07	\$599.64
25%	5.9	\$311.77	\$435.14	\$517.39	\$599.64	\$723.02