

Ag Management Guide

2014

Northern CO - Irrigated Alfalfa

Estimated Production Costs & Returns

GROSS RECEIPTS FROM PRODUCTION

GROSS RECEIPTS	Unit	Price	Yield	Per Acre	Per TON	YOUR FARM
ALFALFA	TONS	\$200.00	5.5	\$1,100	\$200.00	
NET GOV'T PAYMENTS	ACRE			\$0	\$0.00	
Total Receipts				\$1,100	\$200.00	\$0

DIRECT COSTS

	Unit	Cost/ Unit	Quantity	Cost Per Acre	Cost Per TON	YOUR FARM
<i>OPERATING PREHARVEST</i>						
ESTABLISHMENT ALLOCATION	DOLS	52.25	1.00	52.25	9.50	
FERTILIZER	DOLS	80.00	1.00	80.00	14.55	
HERBICIDE	DOLS	23.00	1.00	23.00	4.18	
INSECTICIDE	DOLS	20.00	1.00	20.00	3.64	
CUSTOM APPLICATION	DOLS	8.00	1.00	8.00	1.45	
IRRIGATION LABOR	DOLS	25.00	1.00	25.00	4.55	
LABOR	DOLS	6.00	1.00	6.00	1.09	
INTEREST EXPENSE (6 mths @ 7.5%)	DOLS	8.03	1.00	8.03	1.46	
Total Pre-Harvest Expenses				222.28	40.42	\$0
<i>HARVEST COSTS</i>						
CUSTOM SWATHING	DOLS	30.00	1.00	30.00	5.45	
CUSTOM BALING	DOLS	45.00	1.00	45.00	8.18	
CUSTOMING HAUL/STACK	DOLS	25.00	1.00	25.00	4.55	
Total Harvest Costs				100.00	18.18	
Total Operating Costs				322.28	58.60	\$0
<i>PROPERTY & OWNERSHIP COSTS</i>						
GENERAL FARM OVERHEAD	DOLS	20.00	1.00	20.00	3.64	
OWNERSHIP COSTS	DOLS	60.00	1.00	60.00	10.91	
REAL ESTATE TAXES	DOLS	16.00	1.00	16.00	2.91	
Total Property & Ownership Costs				96.00	17.45	\$0
Total Direct Costs				418.28	76.05	\$0
NET RECEIPTS BEFORE FACTOR PAYMENTS				681.72	123.95	\$0
<i>FACTOR PAYMENTS</i>						
Land @ 4%				100.00	18.18	
RETURN TO MANAGEMENT & RISK				581.72	105.77	\$0

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

		ALTERNATIVE PRICES				
		\$/TONS				
ALTERNATIVE YIELDS		-25%	-10%		+10%	+25%
		\$ 150.00	\$ 180.00	\$ 200.00	\$ 220.00	\$ 250.00
-25%	4.13	\$200.47	\$324.22	\$406.72	\$489.22	\$612.97
-10%	4.95	\$324.22	\$472.72	\$571.72	\$670.72	\$819.22
TONS	5.50	\$406.72	\$571.72	\$681.72	\$791.72	\$956.72
+10%	6.05	\$489.22	\$670.72	\$791.72	\$912.72	\$1,094.22
+25%	6.88	\$612.97	\$819.22	\$956.72	\$1,094.22	\$1,300.47