

**Southeast - Alfalfa (Furrow Irrigation)**

**2016**

**Estimated Production Costs & Returns**

**GROSS RECEIPTS FROM PRODUCTION**

GROSS RECEIPTS	UNIT	PRICE	YIELD	PER ACRE	PER TON	YOUR FARM
Alfalfa Hay	tons	\$110.00	5.2	\$572	\$110.00	
Other						
<b>Total Receipts</b>				<b>\$572</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	55.00	1	55.00	10.58	
Tillage						
Furrow	acre	15.00	1	15.00	2.88	
Fertilizer (11-52-0)	lbs	0.08	150	11.25	2.16	
Custom Application	acre	10.00	1	10.00	1.92	
Herbicide						
Lorsban	pint	7.00	1	7.00	1.35	
Application	dollars	10.00	1	10.00	1.92	
Spot Spray (Roundup)	acre	12.00	0.70	8.40	1.62	
Irrigation						
Water Assessment (surface)	dollars	15.00	1	15.00	2.88	
Labor (5 irrigations)	dollars	50.00	1	50.00	9.62	
Crop Insurance (NAP)	dollars	5.00	1	5.00	0.96	
Fuel	dollars	0.00	1	0.00	0.00	
Repairs & Maintenance	dollars	0.00	1	0.00	0.00	
Interest (6 months @ 6.0%)	dollars	3.95	1	3.95	0.76	
<b>Total Pre-Harvest Expenses</b>				<b>\$135.60</b>	<b>\$26.08</b>	<b>\$0.00</b>
<b>HARVEST COSTS</b>						
Swath (4 cuttings)	acre	12.00	4	48.00	9.23	
Rake (1/2 of all cuttings)	acre	5.00	4	20.00	3.85	
Bale (4x4 large bales)	acre	15.00	4	60.00	11.54	
Hauling	ton	4.00	5.20	20.80	4.00	
<b>Total Harvest Costs</b>				<b>\$148.80</b>	<b>\$28.62</b>	<b>\$0.00</b>
<b>Total Operating Costs</b>				<b>\$284.40</b>	<b>\$54.69</b>	<b>\$0.00</b>
<b>PROPERTY &amp; OWNERSHIP COSTS</b>						
General Farm Overhead	dollars	65.00	1	65.00	12.50	
Depreciation	dollars	10.00	1	10.00	1.92	
Real Estate Taxes	dollars	23.00	1	23.00	4.42	
<b>Total Property &amp; Ownership Costs</b>				<b>\$98.00</b>	<b>\$18.85</b>	<b>\$0.00</b>
<b>TOTAL DIRECT COSTS</b>				<b>\$382.40</b>	<b>\$73.54</b>	<b>\$0.00</b>
<b>NET RECEIPTS BEFORE FACTOR PAYMENTS</b>				<b>\$189.60</b>	<b>\$36.46</b>	<b>\$0.00</b>
<b>FACTOR PAYMENTS</b>						
Land (\$5,000 @ 4%)				200.00	38.46	
<b>RETURN TO MANAGEMENT &amp; RISK</b>				<b>(\$10.40)</b>	<b>(\$2.00)</b>	<b>\$0.00</b>

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

		ALTERNATIVE PRICES (\$/ton)				
		-25%	-10%	10%	25%	
ALTERNATIVE YIELDS		\$82.50	\$99.00	\$110.00	\$121.00	\$137.50
-25%	3.9	(\$60.65)	\$3.70	\$46.60	\$89.50	\$153.85
-10%	4.7	\$3.70	\$80.92	\$132.40	\$183.88	\$261.10
TONS PER ACRE	5.2	\$46.60	\$132.40	\$189.60	\$246.80	\$332.60
	10%	\$89.50	\$183.88	\$246.80	\$309.72	\$404.10
	25%	\$153.85	\$261.10	\$332.60	\$404.10	\$511.35