Table 3. 2013 Estimated Production Costs and Returns - Irrigated Alfalfa in Northeastern Colorado.

	Unit	Price or Cost/Unit	Quantity	Value or Cost Per Acre	Value or Cost/Unit Production	Your Farm
GROSS RECEIPTS FROM PRODUCTION:						
ALFALFA (Round Bales)	TONS	246.00	5.00	1230.00		
TOTAL RECEIPTS				**1230.00**	**246.00**	
DIRECT COSTS						
Operating Preharvest						
ESTABLISHMENT ALLOCATION (5 Years)	DOLS	52.25	1.00	52.25	10.45	
FERTILIZER	DOLS	77.13	1.00	77.13	15.43	
HERBICIDE	DOLS	26.32	1.00	26.32	5.26	
CUSTOM APPLICATION	DOLS	7.00	1.00	7.00	1.40	
INSECTICIDE	DOLS	18.79	1.00	18.79	3.76	
IRRIGATION ENERGY	DOLS	75.90	1.00	75.90	15.18	
IRRIGATION REPAIR	DOLS	10.24	1.00	10.24	2.05	
SPRINKLER LEASE	DOLS	70.00	1.00	70.00	14.00	
CUSTOM AERIAL SPRAY	DOLS	8.00	1.00	8.00	1.60	
INTEREST EXPENSE [3]	DOLS			0.00	0.00	
Total Preharvest	DOLS			**345.63**	**69.13**	
Operating Harvest						
FUEL	DOLS			4.21	0.84	
REPAIR & MAINTENANCE	DOLS			8.64	1.73	
LABOR	DOLS			4.21	1.00	
BALING [1]	DOLS			100.00	20.00	
HAULING/STACKING [2]	DOLS			20.00	4.00	
Total Harvest				**137.06**	**27.41**	
Total Operating Costs				**482.69**	**96.54**	
Property and Ownership Costs						
MACHINERY OWNERSHIP COSTS	DOLS			16.43	3.29	
GENERAL FARM OVERHEAD	DOLS			10.00	2.00	
REAL ESTATE TAXES	DOLS			15.42	3.08	
Total Property and Ownership Costs	DOLS			**41.85**	**8.37**	
TOTAL DIRECT COSTS				**524.54**	**104.91**	
NET RECEIPTS BEFORE FACTOR PAYMENTS				**705.46**	**141.09**	
FACTOR PAYMENTS						
LAND @ 4.00%	DOLS			162.50	32.50	
RETURN TO MANAGEMENT AND RISK	DOLS			**542.96**	**108.59**	

1 Baling = $15/Bale (Round Baler)

2 Hauling/Stacking = $3/Bale

3 Interest on Operating Capital is calculated on 1/2 of pre-harvest operating costs at 7%

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

			ALTERNATIVE PRICES $/TON				
			-25%	-10%		+10%	+25%
			$ 184.50	$ 221.40	$ 246.00	$ 270.60	$ 307.50
ALTERNATIVE YIELDS	-25%	3.8	$ 167.34	$ 305.71	$ 397.96	$ 490.21	$ 628.59
	-10%	4.5	$ 305.71	$ 471.76	$ 582.46	$ 693.16	$ 859.21
TONS		5.0	$ 397.96	$ 582.46	$ 705.46	$ 828.46	$1,012.96
	+10%	5.5	$ 490.21	$ 693.16	$ 828.46	$ 963.76	$1,166.71
	+25%	6.3	$ 628.59	$ 859.21	#######	$ 1,166.71	$1,397.34