

## Ag Management Guide

2014

### Southern 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	6.0	\$1,200	\$200.00	
NET GOV'T PAYMENTS	ACRE			\$0	\$0.00	
<b>Total Receipts</b>				<b>\$1,200</b>	<b>\$200.00</b>	<b>\$0</b>

##### DIRECT COSTS

	Unit	Cost/ Unit	Quantity	Cost Per Acre	Cost Per Ton	YOUR FARM
<i>OPERATING PREHARVEST</i>						
ESTABLISHMENT ALLOCATION	DOLS	45.00	1.00	45.00	7.50	
FERTILIZER	DOLS	80.00	1.00	80.00	13.33	
HERBICIDE	DOLS	25.00	1.00	25.00	4.17	
INSECTICIDE	DOLS	20.00	1.00	20.00	3.33	
CUSTOM APPLICATION	DOLS	8.00	1.00	8.00	1.33	
IRRIGATION LABOR	DOLS	25.00	1.00	25.00	4.17	
LABOR	DOLS	6.00	1.00	6.00	1.00	
INTEREST EXPENSE (6 mths @ 7.5%)	DOLS	7.84	1.00	7.84	1.31	
<b>Total Pre-Harvest Expenses</b>				<b>216.84</b>	<b>36.14</b>	<b>\$0</b>
<i>HARVEST COSTS</i>						
CUSTOM SWATHING	DOLS	30.00	1.00	30.00	5.00	
CUSTOM BALING	DOLS	45.00	1.00	45.00	7.50	
CUSTOMING HAUL/STACK	DOLS	24.00	1.00	24.00	4.00	
Total Harvest Costs				99.00	16.50	
<b>Total Operating Costs</b>				<b>315.84</b>	<b>52.64</b>	<b>\$0</b>
<i>PROPERTY &amp; OWNERSHIP COSTS</i>						
GENERAL FARM OVERHEAD	DOLS	20.00	1.00	20.00	3.33	
OWNERSHIP COSTS	DOLS	50.00	1.00	50.00	8.33	
REAL ESTATE TAXES	DOLS	8.00	1.00	8.00	1.33	
Total Property & Ownership Costs				78.00	13.00	\$0
<b>Total Direct Costs</b>				<b>393.84</b>	<b>65.64</b>	<b>\$0</b>
<b>NET RECEIPTS BEFORE FACTOR PAYMENTS</b>				<b>806.16</b>	<b>134.36</b>	<b>\$0</b>
<i>FACTOR PAYMENTS</i>						
Land @ 4%				100.00	16.67	
<b>RETURN TO MANAGEMENT &amp; RISK</b>				<b>706.16</b>	<b>117.69</b>	<b>\$0</b>

#### 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%	4.50	\$281.16	\$416.16	\$506.16	\$596.16	\$731.16
-10%	5.40	\$416.16	\$578.16	\$686.16	\$794.16	\$956.16
TONS	6.00	\$506.16	\$686.16	\$806.16	\$926.16	\$1,106.16
+10%	6.60	\$596.16	\$794.16	\$926.16	\$1,058.16	\$1,256.16
+25%	7.50	\$731.16	\$956.16	\$1,106.16	\$1,256.16	\$1,481.16