

SAMPLE COSTS TO PRODUCE ALFALFA HAY  
WITHOUT COST FOR WATER

Yield: 6 tons - Labor at \$5/hr. tractor operator; \$4/hr. irrigator;  
including fringe benefits

Operation	Hours Per Acre	Cash and Labor Cost per Acre				Total
		Labor	Fuel & Repairs	Materials Kind & Quantity	Cost	
<b>Cultural Costs</b>						
Irrigate 9X	6.00	\$24.00	\$	Water 4 ac. ft.	\$	\$24.00
Fertilize	.25	1.25	.70	80 lbs. P <sub>2</sub> O <sub>5</sub> @ 25¢	20.00	21.95
Rodent Control	.10	.50	.25	Rent bait appli- cator	2.50	
Misc. labor, materials		4.00	2.00	1 lb. bait @\$2	2.00	5.25
Int. on operating capital					3.00	9.00
					3.00	3.00
<b>TOTAL CULTURAL COSTS</b>		<b>29.75</b>	<b>2.95</b>		<b>30.50</b>	<b>63.20</b>
<b>Harvest Costs</b>						
Swath 5X				Custom @ \$4 per ton	24.00	
Rake 5X				@ \$1.25 per ton	7.50	
Bale 5X				@ \$8.00 per ton	48.00	
Haul				@ \$5.00 per ton	30.00	
<b>TOTAL HARVEST COSTS</b>						<b>109.50</b>
<b>Cash Overhead</b>						
Misc., office, etc.					10.42	
Taxes					7.35	
Rent				25% of gross sales	90.00	
<b>TOTAL CASH OVERHEAD</b>						<b>107.77</b>
<b>TOTAL CASH COST</b>						<b>280.47</b>
Management-10% of 6 tons @ \$60						36.00
<b>Investment</b>						
		<u>Per Acre</u>	<u>Annual Cost</u>			
			<u>Depreciation</u>	<u>Interest 9%</u>		
Stand		\$150	\$12.50	\$ 6.75		
Irrigation system		300	15.00	13.50		
Equipment		282	28.13	12.65		
<b>TOTAL</b>		<b>\$732</b>	<b>\$55.63</b>	<b>\$32.90</b>		<b>88.53</b>
<b>TOTAL COST PER ACRE</b>						<b>405.00</b>

NET INCOME PER ACRE AFTER PAYING ALL  
EXPENSES EXCEPT WATER AT VARIOUS  
YIELDS AND PRICES

PRICE PER TON - ALFALFA HAY.					
Yield (tons)	\$40	\$50	\$60	\$70	\$80
4	-235	-197	-159	-121	- 83
5	-197	-149	-102	- 55	- 11
6	-159	-102	- 45	+ 12	+ 69
7	-121	- 55	+ 12	+ 79	+146
8	- 81	- 11	+ 69	+146	+221