

2017 Alfalfa Small Bales Enterprise Budget

Alfalfa Small Bales

Production

Owned land

Dryland

Yield, tons air-dry: 5.00

Weighted value per ton, air-dry: \$200.00

Income per acre	Yield	Price	Business unit total
Hay	60 lb bales 166.66666	6.00	1000.00
Other income			0.00
Total income per acre			\$1,000.00

Operating costs per acre

Seed		0.00
Fertilizer		75.90
Nitrogen	0.00	
Phosphorus	25.90	
Potassium	50.00	
Other amendments	0.00	
Crop protection		7.50
Herbicide	0.00	
Insecticide-fungicide	7.50	
Crop supplies, storage		10.00
Crop consulting		0.00
Custom hire and rental		119.00
Machinery fuel and irrigation energy		19.08
Machinery repairs and maintenance		13.56
Operator and hired labor		41.40
Other expense		0.00
Operating interest		7.88
Operating costs per acre		\$294.32

Ownership costs per acre¹

Farm business overhead		6.13
Machinery overhead		9.15
Machinery depreciation		31.48
Real estate charge		79.20
Ownership costs per acre		\$125.96

Total costs per acre **\$420.28**

Income over operating costs per acre	\$705.68
Income over total costs per acre	\$579.72

Operating costs per ton, air-dry basis	\$58.86
Ownership costs per ton, air-dry basis	\$25.19
Total costs per ton, air-dry basis	\$84.06

2017 Alfalfa Small Bales Detailed Report

Selected input quantities	per acre	Selected input prices	\$ per unit
Forage yield, tons	5.00	Farm diesel, per gallon	2.35
Seeding rate, lbs	0	Operating interest, %	5.50
Nitrogen rate, lbs	0	Nitrogen, per lb	0.00
Phosphorus rate, lbs	70	Phosphorus, per lb	0.37
Potassium rate, lbs	200	Potassium, per lb	0.25
Lime rate, tons	0	Lime, per ton	0.00
Sum of allocated labor, hours	2.53	Skilled labor, per hour	18.00
Irrigation, inches	0	Land value, per acre	2,400

	Labor Hours per acre	Fuel Gallons per acre	Operating Costs ² \$ per acre	Ownership Costs ³ \$ per acre	Total Costs \$ per acre	Trips per acre
Machine activity (not custom)						
Boom sprayer (50 ft); 75 HP	0.04	0.13	1.42	1.27	2.70	1
Swather (haybine) mower-conditioner (9 ft);	0.76	3.53	27.22	16.34	43.56	4
Hay tedder (8.5 ft); 60 HP	0.21	0.55	4.55	2.66	7.20	2
Wheel rake, V hitch (8 wheel); 60 HP	0.20	0.53	4.51	3.54	8.05	4
Small square baler; 75 HP	0.81	2.69	27.22	14.00	41.22	4
Pickup truck		0.72	2.37	2.83	5.19	
Total	2.03	8.15	67.29	40.64	107.93	15

¹ Farm business overhead includes liability insurance, utilities, accounting, etc. Machinery overhead is the sum of opportunity interest, property taxes, insurance, and housing. Machinery depreciation is a market value decline due to aging and usage. Thus, a portion of depreciation should be considered an operating costs for some decisions. Real estate charge includes land, improvements, taxes. Economic costs may differ from rental rates.

² Machinery operating cost is the sum of fuel, repairs, maintenance, and the value of labor.

³ Machinery ownership cost is the sum of machinery overhead and depreciation (see page 1).