

**Enterprise Budget**

10/19/2017

**2018 Alfalfa Small Bales**

Production

Owned land

Dryland

Yield, tons air-dry: 5.00  
 Weighted value per ton, air-dry: \$185.00

Income per acre		Yield	Price	Business unit total
Hay	60 lb bales	166.67	5.55	925.02
Other income				0.00
<b>Total income per acre</b>				<b>\$925.02</b>

## Operating costs per acre

Seed				0.00
Fertilizer				77.20
Nitrogen			0.00	
Phosphorus			25.20	
Potassium			52.00	
Other amendments			0.00	
Crop protection				7.00
Herbicide			0.00	
Insecticide-fungicide			7.00	
Crop supplies, storage				10.00
Crop consulting				0.00
Custom hire and rental				152.34
Machinery fuel and irrigation energy				18.99
Machinery repairs and maintenance				13.17
Operator and hired labor				40.69
Other expense				0.00
Operating interest				8.78
<b>Operating costs per acre</b>				<b>\$328.17</b>

Ownership costs per acre<sup>1</sup>

Farm business overhead				6.13
Machinery overhead				8.54
Machinery depreciation				30.82
Real estate charge				85.80
<b>Ownership costs per acre</b>				<b>\$131.29</b>

**Total costs per acre****\$459.46**

Income over operating costs per acre	\$596.84
Income over total costs per acre	\$465.56

Operating costs per ton, air-dry basis	\$65.63
Ownership costs per ton, air-dry basis	\$26.26
Total costs per ton, air-dry basis	\$91.89

## Detailed Report

Production 2018 Alfalfa Small Bales

10/19/17

Selected input quantities	per acre	Selected input prices	\$ per unit
Forage yield, tons	5.00	Farm diesel, per gallon	2.37
Seeding rate, lbs	0	Operating interest, %	5.50
Nitrogen rate, lbs	0	Nitrogen, per lb	0.00
Phosphorus rate, lbs	70	Phosphorus, per lb	0.36
Potassium rate, lbs	200	Potassium, per lb	0.26
Lime rate, tons	0	Lime, per ton	0.00
Sum of allocated labor, hours	2.49	Skilled labor, per hour	18.00
Irrigation, inches	0	Land value, per acre	2,600

Machine activity (not custom)	Labor	Fuel	Operating	Ownership	Total	Trips per acre
	Hours per acre	Gallons per acre	Costs <sup>2</sup> \$ per acre	Costs <sup>3</sup> \$ per acre	Costs \$ per acre	
Swather (haybine) mower-conditioner (9 ft); 1	0.76	3.53	27.30	16.34	43.64	4
Hay tedder (8.5 ft); 60 HP	0.21	0.55	4.56	2.66	7.22	2
Wheel rake, V hitch (8 wheel); 60 HP	0.20	0.53	4.52	3.54	8.06	4
Small square baler; 75 HP	0.81	2.69	27.28	14.00	41.28	4
Pickup truck		0.72	2.44	2.83	5.26	
<b>Total</b>	<b>1.99</b>	<b>8.02</b>	<b>66.10</b>	<b>39.36</b>	<b>105.47</b>	<b>14</b>

<sup>1</sup> 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.

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

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