

Farm Management

Organic Production Practices Northeastern United States

Below is an index of the organic crop budgets prepared by RCE in cooperation with the Northeast Farm Management Committee. You may use these as a reference to calculate your own crop budget. Use the links below to jump to your section of interest.

The costs and returns of production information contained in the budgets is for illustrative purposes only. The appropriate choice of cultural practices and the proper use and application of fertilizers, chemicals, and equipment is the individual growers' responsibility. The trade or brand names given herein are supplied with the understanding that no discrimination is intended (against similar products not mentioned) and no endorsement by Rutgers University, the Northeast Farm Management Committee or their affiliated institutions is implied.

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Table 65: Costs of Production for Alfalfa Hay (New Seeding), Per Acre

Organic Production Practices Northeastern United States, 1996

PRE-PRODUCTION COSTS

| ITEM | UNIT | PRICE | QUANTITY | TOTAL |
|-----------------------------|-------|----------|----------|-----------------|
| Manure Application | 1 | \$139.00 | 1 | \$139.00 |
| Soil Test | acre | \$1.00 | 1 | \$1.00 |
| Alfalfa Seed | pound | \$3.50 | 18 | \$63.00 |
| Machine Costs | acre | \$33.31 | 1 | \$33.31 |
| Operator Labor | hr | \$14.48 | 1.19 | \$17.23 |
| Grain Drill | acre | \$3.16 | 1 | \$3.16 |
| Total Planting Costs | | | | \$256.70 |

^a These costs are amortized over four production years.

PRODUCTION COSTS

| ITEM | UNIT | PRICE | QUANTITY | TOTAL |
|--------------------------------------------------|--------|----------|----------|-----------------|
| Variable Costs | | | | |
| Pest Management | | | | |
| Approved organic chemicals | acre | \$155.00 | 1 | \$155.00 |
| Labor | | | | |
| Operator | hour | \$14.48 | 2.82 | \$40.83 |
| Machine Costs | | | | |
| Fuel | gallon | \$0.969 | 10.4 | \$10.08 |
| Machinery | acre | \$38.16 | 1 | \$38.16 |
| Sub-Total | | | | \$244.07 |
| Interest on Operating Capital^b | acre | 10% | 1 | \$7.08 |
| Total Variable Costs | acre | | 1 | \$251.15 |
| Fixed Costs | | | | |
| Machinery and equipment | acre | \$45.81 | 1 | \$45.81 |
| Land Charge | acre | \$50.00 | 1 | \$50.00 |
| Pre-Production Cost Allocation | acre | 8% | 1 | \$77.50 |
| Total Fixed Costs | acre | | 1 | \$127.50 |
| Total Fixed and Variable Costs | acre | | 1 | \$378.65 |
| Management Fees^b | acre | 7% | 1 | \$23.01 |
| Total Costs | acre | | 1 | \$401.65 |

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Table 66: Costs of Production for Alfalfa Hay

(Established Stand), Per Acre
Organic Production Practices
Northeastern United States, 1996

| ITEM | UNIT | PRICE | QUANTITY | TOTAL |
|--------------------------------------------------|--------|-----------|----------|------------------|
| Variable Costs | | | | |
| Fertilizer | | | | |
| Composted manure | ton | \$ 31.00 | 4.5 | \$ 139.50 |
| Pest Management | | | | |
| Approved organic chemicals | acre | \$ 150.00 | 1 | \$ 150.00 |
| Labor | | | | |
| Operator | hour | \$ 14.48 | 2.82 | \$ 41.70 |
| Machine and Fuel Costs | | | | |
| Fuel | gallon | \$ 0.969 | 10.4 | \$ 10.08 |
| Machinery | acre | \$ 38.16 | 1 | \$ 38.16 |
| Sub-Total | | | | \$ 379.44 |
| Interest on Operating Capital^a | acre | 10% | 1 | \$ 11.00 |
| Total Variable Costs | acre | | 1 | \$ 390.44 |
| Fixed Costs | | | | |
| Machinery and equipment | acre | \$ 60.26 | 1 | \$ 60.26 |
| Land Charge | acre | \$ 50.00 | 1 | \$ 50.00 |
| Preproduction Cost Allocation | acre | 8% | 1 | \$ 77.50 |
| Total Fixed Costs | acre | | 1 | \$ 187.76 |
| Total Fixed and Variable Costs | acre | | 1 | \$ 578.20 |
| Management Fees^a | acre | 7% | 1 | \$ 36.97 |
| Total Costs | acre | | 1 | \$ 615.18 |

^aSee text for calculation assumptions.