

Bermudagrass, Hay
Estimated Expenses per Acre

Item	Description	Unit	Quantity	Price	Amount (\$/acre)	Your Farm
Variable Expenses						
Fertilizer ¹	N	lb	240.00	\$ 0.48	\$ 115.20	_____
	P2O5	lb	60.00	\$ 0.34	\$ 20.40	_____
	K2O	lb	180.00	\$ 0.23	\$ 41.40	_____
	Custom Application	acre	4.00	\$ 5.00	\$ 20.00	_____
Lime	Custom Application	ton	0.67	\$ 21.00	\$ 14.07	_____
Twine		bale	160.00	\$ 0.04	\$ 6.62	_____
Weed Control						
Dormant	Gramoxone Max	pt	1.50	\$ 4.91	\$ 7.37	_____
	Surfactant	pt	0.50	\$ 1.63	\$ 0.82	_____
	Custom Application	acre	1.00	\$ 5.00	\$ 5.00	_____
Post-Emerge	Cimarron	oz	0.20	\$ 21.90	\$ 4.38	_____
	Custom Application	acre	1.00	\$ 5.00	\$ 5.00	_____
Machinery						
Fuel		acre	1.00	\$ 27.89	\$ 27.89	_____
Oil & Filter		acre	1.00	\$ 4.18	\$ 4.18	_____
Repairs & Maintenance		acre	1.00	\$ 26.33	\$ 26.33	_____
Interest on Operating Capital	6 months	acre	\$ 298.65	8.0%	\$ 11.95	_____
					Total Variable Expenses	\$ 310.60 _____
Fixed Expenses						
Establishment Cost	Prorated over 10 years	acre	1.00	\$ 33.00	\$ 33.00	_____
Machinery						
Depreciation		acre	1.00	\$ 19.62	\$ 19.62	_____
Interest		acre	1.00	\$ 24.27	\$ 24.27	_____
Housing & Insurance		acre	1.00	\$ 2.51	\$ 2.51	_____
					Total Fixed Expenses	\$ 79.40 _____
Labor Expenses						
Labor ²		hour	5.42	\$ 8.50	\$ 46.03	_____
					Total Budgeted Expenses	\$ 436.02 _____

Footnotes:

¹60 lbs of nitrogen applied in April, May, June, and July. Hybrids may require higher application rates.

²Labor expense is \$8.50 per hour, including wages, Social Security and Medicaid taxes and payroll administration costs.

Bermudagrass, Hay
Estimated Machinery and Labor Requirements per Acre

Month	Operation	Power Unit	Implement	Hours per Acre	
				Machine	Labor
Mar	Lime	Custom	Custom	---	---
Mar	Dormant (Gramoxone Max)	Custom	Custom	---	---
Apr	Fertilize	Custom	Custom	---	---
May	Mow	Tractor, 70 hp	Mower-Conditioner, 9'	0.37	0.46
May	Rake	Tractor, 70 hp	Rake, 18'	0.19	0.24
May	Bale	Tractor, 70 hp	Baler, Square	0.35	0.44
May	Stack	Tractor, 70 hp	Bale Wagon, Pull Type	0.17	0.22
May	Fertilize	Custom	Custom	---	---
Jun	Post-Emerge (Cimarron)	Custom	Custom	---	---
Jun	Mow	Tractor, 70 hp	Mower-Conditioner, 9'	0.37	0.46
Jun	Rake	Tractor, 70 hp	Rake, 18'	0.19	0.24
Jun	Bale	Tractor, 70 hp	Baler, Square	0.35	0.44
Jun	Stack	Tractor, 70 hp	Bale Wagon, Pull Type	0.17	0.22
Jun	Fertilize	Custom	Custom	---	---
Jul	Mow	Tractor, 70 hp	Mower-Conditioner, 9'	0.37	0.46
Jul	Rake	Tractor, 70 hp	Rake, 18'	0.19	0.24
Jul	Bale	Tractor, 70 hp	Baler, Square	0.35	0.44
Jul	Stack	Tractor, 70 hp	Bale Wagon, Pull Type	0.17	0.22
Jul	Fertilize	Custom	Custom	---	---
Sep	Mow	Tractor, 70 hp	Mower-Conditioner, 9'	0.37	0.46
Sep	Rake	Tractor, 70 hp	Rake, 18'	0.19	0.24
Sep	Bale	Tractor, 70 hp	Baler, Square	0.35	0.44
Sep	Stack	Tractor, 70 hp	Bale Wagon, Pull Type	0.17	0.22
				Total	5.42

Estimated Machinery Expenses per Acre

Machine	Hours per Acre	Variable Cost			Total Variable Costs	Fixed Cost			Total Fixed Costs
		Fuel	Oil & Filter	Repairs		Depreciation	Interest	Housing & Insurance	
Tractor, 70 hp	4.33	27.89	4.18	9.19	41.27	5.56	6.61	0.50	12.67
Mower-Conditioner, 9'	1.47	0.00	0.00	7.53	7.53	4.07	6.62	0.55	11.23
Rake, 18'	0.76	0.00	0.00	0.54	0.54	0.44	0.50	0.13	1.08
Baler, Square	1.40	0.00	0.00	6.80	6.80	6.17	6.76	0.81	13.73
Bale Wagon, Pull Type	0.70	0.00	0.00	2.27	2.27	3.39	3.77	0.53	7.69
Total		\$ 27.89	\$ 4.18	\$ 26.33	\$ 58.40	\$ 19.62	\$ 24.27	\$ 2.51	\$ 46.40
Total Machinery Cost									\$ 104.80

Break-even Analysis

		Yield/Acre		Break-even Price/Ton
Break-even Price over Total Variable Expenses:	Below-Average Yield	2.0	tons	\$ 155.30
	Average Yield	4.0	tons	\$ 77.65
	Above-Average Yield	6.0	tons	\$ 51.77
Break-even Price over Total Budgeted Expenses:	Below-Average Yield	2.0	tons	\$ 218.01
	Average Yield	4.0	tons	\$ 109.01
	Above-Average Yield	6.0	tons	\$ 72.67