

**Winter Annuals, Hay, No-Till Establishment
Estimated Expenses per Acre**

Item	Description	Unit	Quantity	Price	Amount (\$/acre)	Your Farm	
Variable Expenses							
Seed ¹	Wheat	bu	1.50	\$ 9.60	\$ 14.40	_____	
Fertilizer ²	N	lb	120.00	\$ 0.48	\$ 57.60	_____	
	P2O5	lb	40.00	\$ 0.34	\$ 13.60	_____	
	K2O	lb	40.00	\$ 0.23	\$ 9.20	_____	
	Custom Application	acre	2.00	\$ 5.00	\$ 10.00	_____	
Lime ³	Custom Application	ton	0.50	\$ 21.00	\$ 10.50	_____	
Weed Control Burndown	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	_____	
Twine		bale	4.00	\$ 0.24	\$ 0.95	_____	
Machinery	Fuel	acre	1.00	\$ 12.47	\$ 12.47	_____	
	Oil & Filter	acre	1.00	\$ 1.87	\$ 1.87	_____	
	Repairs & Maintenance	acre	1.00	\$ 17.12	\$ 17.12	_____	
	Interest on Operating Capital	6 Months	acre	\$ 160.89	8.0%	\$ 6.44	_____
	Total Variable Expenses					\$ 167.32	_____
Fixed Expenses							
Machinery	Depreciation	acre	1.00	\$ 7.90	\$ 7.90	_____	
	Interest	acre	1.00	\$ 10.52	\$ 10.52	_____	
	Housing & Insurance	acre	1.00	\$ 0.89	\$ 0.89	_____	
Total Fixed Expenses					\$ 19.32	_____	
Labor Expenses							
Labor ⁴		hour	2.42	\$ 8.50	\$ 20.57	_____	
Total Budgeted Expenses					\$ 207.21	_____	

Footnotes:

¹Ryegrass may also be used as a winter annual hay crop.

²60 lbs of nitrogen applied at seeding. Remainder applied in the Spring.

³Lime is applied at the rate of 2 tons per acre every 4 years.

⁴Labor expense is \$8.50 per hour, including wages, Social Security and Medicaid taxes and payroll administration costs.

**Winter Annuals, Hay, No-Till Establishment
Estimated Machinery and Labor Requirements per Acre**

Month	Operation	Power Unit	Implement	Hours per Acre	
				Machine	Labor
Oct	Burndown (Gramoxone Max)	Custom	Custom	---	---
Oct	Fertilize & Lime	Custom	Custom	---	---
Oct	Plant	Tractor, 70 hp	No-Till Drill, 10'	0.47	0.59
Mar	Fertilize	Custom	Custom	---	---
May	Mow	Tractor, 70 hp	Mower-Conditioner, 9'	0.37	0.46
May	Tedder, 10'	Tractor, 70 hp	Tedder, 10'	0.10	0.13
May	Rake	Tractor, 70 hp	Rake, 18'	0.19	0.24
May	Bale	Tractor, 70 hp	Baler, Round, 5 x 4	0.40	0.50
May	Stack & Move	Tractor, 70 hp	Front-End Loader/Spear	0.40	0.50
				Total	2.42

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	1.94	12.47	1.87	4.11	18.44	2.48	2.95	0.22	5.66
No-Till Drill, 10'	0.47	0.00	0.00	5.05	5.05	1.91	3.15	0.24	5.30
Mower-Conditioner, 9'	0.37	0.00	0.00	1.88	1.88	1.02	1.66	0.14	2.81
Tedder, 10'	0.10	0.00	0.00	0.05	0.05	0.04	0.07	0.02	0.13
Rake, 18'	0.19	0.00	0.00	0.13	0.13	0.11	0.13	0.03	0.27
Baler, Round, 5 x 4	0.40	0.00	0.00	5.36	5.36	1.74	1.91	0.19	3.84
Front-End Loader/Spear	0.40	0.00	0.00	0.53	0.53	0.59	0.66	0.05	1.31
Total		\$ 12.47	\$ 1.87	\$ 17.12	\$ 31.46	\$ 7.90	\$ 10.52	\$ 0.89	\$ 19.32
Total Machinery Cost									\$ 50.77

Break-even Analysis

		Yield/Acre		Break-even Price/Ton
Break-even Price over Total Variable Expenses:	Below-Average Yield	1.0	ton	\$ 167.32
	Average Yield	2.0	tons	\$ 83.66
	Above-Average Yield	3.0	tons	\$ 55.77
Break-even Price over Total Budgeted Expenses:	Below-Average Yield	1.0	ton	\$ 207.21
	Average Yield	2.0	tons	\$ 103.61
	Above-Average Yield	3.0	tons	\$ 69.07