



**Western - Grass Hay**

**2016**

**Estimated Production Costs & Returns**

<b>GROSS RECEIPTS FROM PRODUCTION</b>						
GROSS RECEIPTS	UNIT	PRICE	YIELD	PER ACRE	PER TON	YOUR FARM
Grass Hay	ton	\$150.00	2.57	\$386	\$150.00	
Other						
<b>Total Receipts</b>				<b>\$386</b>		<b>\$0</b>

**DIRECT COSTS**

	UNIT	COST PER UNIT	QUANTITY	PER ACRE	PER TON	YOUR FARM
<b>OPERATING PREHARVEST</b>						
Fertilizer	lbs	0.35	70	24.50	9.53	
Custom Application	acre	12.00	1	12.00	4.67	
Interest Expense (6 months @ 6%)	dollars	1.10	1	1.10	0.43	
<b>Total Pre-Harvest Expenses</b>				<b>\$37.60</b>	<b>\$14.63</b>	<b>\$0.00</b>
<b>HARVEST COSTS</b>						
Swath	acre	15.00	2	30.00	11.67	
Rake	acre	5.00	2	10.00	3.89	
Bale	bale	10.00	3.02	30.24	11.76	
Hauling	bale	3.75	3.02	11.34	4.41	
<b>Total Harvest Costs</b>				<b>\$81.57</b>	<b>\$31.74</b>	<b>\$0.00</b>
<b>Total Operating Costs</b>				<b>\$119.17</b>	<b>\$46.37</b>	<b>\$0.00</b>
<b>PROPERTY &amp; OWNERSHIP COSTS</b>						
General Farm Overhead	dollars	45.00	1	45.00	17.51	
Depreciation	dollars	10.00	1	10.00	3.89	
Real Estate Taxes	dollars	20.45	1	20.45	7.96	
<b>Total Property &amp; Ownership Costs</b>				<b>\$75.45</b>	<b>\$29.36</b>	<b>\$0.00</b>
<b>TOTAL DIRECT COSTS</b>				<b>\$194.62</b>	<b>\$75.73</b>	<b>\$0.00</b>
<b>NET RECEIPTS BEFORE FACTOR PAYMENTS</b>				<b>\$190.88</b>	<b>\$74.27</b>	<b>\$0.00</b>
<b>FACTOR PAYMENTS</b>						
Land (\$2,500 @ 4%)				100.00	38.91	
<b>RETURN TO MANAGEMENT &amp; RISK</b>				<b>\$90.88</b>	<b>\$35.36</b>	<b>\$0.00</b>

**BREAKEVEN ANALYSIS - PER ACRE RETURNS OVER TOTAL DIRECT COSTS (\$/ACRE)**

		ALTERNATIVE PRICES (\$/ton)				
		-25%	-10%	10%	25%	
ALTERNATIVE YIELDS		\$112.50	\$135.00	\$150.00	\$165.00	\$187.50
-25%	1.9	\$22.23	\$65.59	\$94.51	\$123.42	\$166.79
-10%	2.3	\$65.59	\$117.64	\$152.33	\$187.03	\$239.07
TON PER ACRE	2.6	\$94.51	\$152.33	\$190.88	\$229.43	\$287.26
10%	2.8	\$123.42	\$187.03	\$229.43	\$271.84	\$335.44
25%	3.2	\$166.79	\$239.07	\$287.26	\$335.44	\$407.73