

CLEMSON

EXTENSION

Department of Applied Economics and Statistics

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HYBRID BERMUDAGRASS FOR HAY

ESTIMATED MAINTENANCE COSTS AND RETURNS PER ACRE, 2008/2009
5 TON YIELD FROM 4 CUTTINGS (SMALL SQUARE BALES)

	UNIT	QUANTITY	PRICE OR COST/UNIT	TOTAL PER ACRE	YOUR FARM
1. GROSS RECEIPTS					
BERMUDAGRASS	TON	5.00	\$120.00	\$600.00	_____
TOTAL RECEIPTS:				\$600.00	_____
2. VARIABLE COSTS					
FERTILIZER					
NITROGEN	LBS	150.00	\$0.59	\$88.50	_____
PHOSPHATE	LBS	70.00	\$0.52	\$36.40	_____
POTASH	LBS	210.00	\$0.26	\$54.60	_____
LIQ. NITROGEN (SPREAD)	LBS	140.00	\$0.49	\$68.60	_____
LIME (SPREAD)	TON	0.50	\$52.50	\$26.25	_____
HERBICIDES	ACRE	1.00	\$10.63	\$10.63	_____
CUSTOM SPREAD	ACRE	1.00	\$8.00	\$8.00	_____
TWINE	BALE	200.00	\$0.14	\$28.00	_____
TRACTOR/MACHINERY	ACRE	1.00	\$85.68	\$85.68	_____
LABOR	HRS	15.44	\$6.50	\$100.36	_____
INTEREST ON OP. CAP.	DOL.	\$203.33	9.0%	\$18.30	_____
TOTAL VARIABLE COSTS:				\$525.32	_____
3. INCOME ABOVE VARIABLE COSTS:				\$74.68	_____
4. FIXED COSTS					
TRACTOR/MACHINERY	ACRE	1.00	\$125.96	\$125.96	_____
PRORATED ESTABLISHMENT COST	ACRE	1.00	\$42.95	\$42.95	_____
TOTAL FIXED COSTS:				\$168.91	_____
5. OTHER COSTS					
LAND RENT	ACRE	1.00	\$25.00	\$25.00	_____
GENERAL OVERHEAD	DOL.	\$525.32	9.0%	\$47.28	_____
TOTAL OTHER COSTS:				\$72.28	_____
6. TOTAL COSTS:				\$766.51	_____
7. NET RETURNS TO RISK AND MANAGEMENT:				-\$166.51	_____

BREAK-EVEN YIELD

<u>BREAK-EVEN YIELD</u>		<u>BREAK-EVEN PRICE</u>	
VARIABLE COSTS	4.38 TON	VARIABLE COSTS	\$105.06
TOTAL COSTS	6.39 TON	TOTAL COSTS	\$153.30

* PLEASE NOTE: THIS BUDGET IS FOR PLANNING PURPOSES ONLY.

** ESTABLISHMENT COST AMORTIZED OVER 10 YEARS.

*** LIME AND FERTILIZER SHOULD BE BASED ON A SOIL TEST.

**** GROSS RECEIPTS WILL VARY AS TO BE SOLD TO HORSE OR CATTLE CONSUMPTION.

HYBRID BERMUDAGRASS FOR HAY						
PER ACRE MACHINERY AND LABOR REQUIREMENTS FOR BERMUDAGRASS HAY						
MONTH	OPERATION	TIMES OVER	LABOR HOURS	MACHINE HOURS	VARIABLE COSTS	FIXED COSTS
6,7&8	MOWER-CONDITIONER	4.00	1.58	1.44	\$22.12	\$40.44
6,7&8	WINDROWER	4.00	0.75	0.68	\$6.84	\$7.00
6,7&8	TEDDER	4.00	1.10	1.00	\$10.16	\$14.12
6,7&8	PTO BALER	4.00	1.67	1.52	\$33.32	\$48.20
6,7&8	BALE WAGON	4.00	0.75	0.68	\$7.32	\$6.88
6,7&8	TRUCK 1.5 TON	4.00	1.01	0.92	\$5.92	\$9.32
PER ACRE TOTALS FOR SELECTED OPERATIONS			6.86	6.24	\$85.68	\$125.96
UNALLOCATED LABOR(HRS./AC.)			8.58			

INCOME ABOVE VARIABLE COSTS AT DIFFERING YIELDS AND PRICES					
YIELD	PRICE (\$/ton.)				
TON	\$108.00	\$114.00	\$120.00	\$126.00	\$132.00
4.00	-\$93.32	-\$69.32	-\$45.32	-\$21.32	\$2.68
4.50	-\$39.32	-\$12.32	\$14.68	\$41.68	\$68.68
5.00	\$14.68	\$44.68	\$74.68	\$104.68	\$134.68
5.50	\$68.68	\$101.68	\$134.68	\$167.68	\$200.68
6.00	\$122.68	\$158.68	\$194.68	\$230.68	\$266.68

CHEMICAL USE ASSUMPTIONS FOR HYBRID BERMUDAGRASS FOR HAY					
	UNIT	QUANTITY	PRICE OR COST/UNIT	TOTAL PER ACRE	MONTH
HERBICIDES:					
2,4-D	PT	1.50	\$1.69	\$2.53	MAR
carbaryl (Sevin)	LB	1.50	\$5.40	\$8.10	AUG
TOTAL:				\$10.63	

The above listed chemicals are examples and do not imply exclusive recommendations by Clemson University. The "Pest Management Handbook" must be consulted. Production assumptions provided by John Andrae, Extension Specialist, 864-656-3504, jandrae@clemson.edu.

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