

Projections for Planning Purposes Only -- Not to be Used without Updating
2015 Estimated Costs and Returns per Acre
RR Corn Silage - Irrigated - 500 Acres
Central Texas Extension District - 8

Crop Acres		500				Enterprise
		Quantity	Units	\$/Unit	Total	Total
REVENUE						
Corn Silage		25.00	Ton	\$42.00	\$1,050.00	\$525,000.00
Total Revenue					\$1,050.00	\$525,000.00
VARIABLE COSTS						
Production Costs						
Seed						
	HR Corn Silage Seed	36	Thousand	\$3.00	\$108.00	\$54,000.00
Fertilizer						
	18-46-0	200	Pound	\$0.65	\$130.00	\$65,000.00
	0-0-60	150	Pound	\$0.48	\$72.00	\$36,000.00
	N	220	Pound	\$0.60	\$132.00	\$66,000.00
Custom						
	Custom Fertilize	1	Acre	\$5.00	\$5.00	\$2,500.00
	Custom Harvest and Haul Silage	25	Ton	\$8.00	\$200.00	\$100,000.00
Herbicide						
	Post Plant Herbicide	2	Quart	\$8.75	\$17.50	\$8,750.00
Irrigation						
	Energy Cost	20.00	AcreInch	\$7.00	\$140.00	\$70,000.00
Machinery Labor						
	Tractors/Self-Propelled	0.24	Hour	\$10.00	\$2.40	\$1,200.00
Diesel Fuel						
	Tractors/Self-Propelled	1.91	Gallon	\$2.65	\$5.06	\$2,530.75
Repairs & Maintenance						
	Tractors/Self-Propelled	1	Acre	\$3.82	\$3.82	\$1,909.14
	Implements	1	Acre	\$8.70	\$8.70	\$4,348.41
	Interest on Credit Line			4.75%	\$11.07	\$5,534.35
Total Variable Costs					\$835.55	\$417,772.66
Planned Returns Above Variable Costs:					\$214.45	\$107,227.34
Breakeven Price to Cover Variable Costs					\$33.42	Ton
FIXED COSTS						
Machinery Depreciation						
	Tractors/Self-Propelled	1	Acre	\$3.95	\$3.95	\$1,972.78
	Implements	1	Acre	\$11.30	\$11.30	\$5,651.27
Equipment Investment						
	Tractors/Self-Propelled	\$44.55	Dollars	6.00%	\$2.67	\$1,336.40
	Implements	\$87.91	Dollars	6.00%	\$5.27	\$2,637.26
	Irrigated Land Rent	1	Acre	\$50.00	\$50.00	\$25,000.00
Total Fixed Costs					\$73.20	\$36,597.70
Total Specified Costs					\$908.74	\$454,370.36
Returns Above Specified Costs					\$141.26	\$70,629.64
Breakeven Price to Cover Total Costs					\$36.35	Ton

Example Breakeven Prices						
Example Yield Percent	Example Yield Ton	Price Needed to Cover Example Variable Costs		Price Needed to Cover Example Total Costs		
		Own/Rent	ShareTenant	Own/Rent	ShareTenant	Landlord
75%	18.75	\$44.56	\$44.56	\$48.47	\$48.47	\$0.00
90%	22.50	\$37.14	\$37.14	\$40.39	\$40.39	\$0.00
100%	25.00	\$33.42	\$33.42	\$36.35	\$36.35	\$0.00
110%	27.50	\$30.38	\$30.38	\$33.05	\$33.05	\$0.00
125%	31.25	\$26.74	\$26.74	\$29.08	\$29.08	\$0.00

Developed by Jason Johnson, Associate Professor and Extension Economist, Texas A&M AgriLife Extension.

Information presented is prepared solely as a general guide and not intended to recognize or predict the costs and returns from any one operation. Brand names are mentioned only as examples and imply no endorsement.