

Projections for Planning Purposes Only -- Not to be Used without Updating

**2013 Estimated Costs and Returns per Acre
Coastal Bermudagrass Hay - 100 Acres
Central Texas Extension District - 8**

Crop Acres		100				Enterprise
REVENUE	Quantity	Units	\$/Unit	Total	Total	
Bermuda Hay	4.50	Bale	\$ 70.00	\$315.00	\$31,500.00	
Other Revenue	0.00	Acre	\$0.00	\$0.00	\$0.00	
Other Revenue	0.00	Acre	\$0.00	\$0.00	\$0.00	
Total Revenue				\$315.00	\$31,500.00	
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Enterprise	
Production Costs						
Fertilizer						
17-4-9	300	Pounds	\$0.65	\$195.00	\$19,500.00	
34-0-0	200	Pounds	\$0.48	\$96.00	\$9,600.00	
Herbicide						
Pre and Post Herbicide	1	Acre	\$6.75	\$6.75	\$675.00	
Custom						
Land Renovation	1	Acre	\$5.00	\$5.00	\$500.00	
Custom Spray	3.00	Acre	\$7.00	\$21.00	\$2,100.00	
Custom Cut and Bale	3.00	Acre	\$35.00	\$105.00	\$10,500.00	
Diesel Fuel						
Tractors	0.05	Gallons	\$2.65	\$0.12	\$12.34	
Repairs & Maintenance						
Implements	1	Acre	\$0.02	\$0.02	\$1.67	
Tractors	1	Acre	\$0.08	\$0.08	\$7.76	
Operator Labor						
Tractors	0.02	Hours	\$10.00	\$0.18	\$18.11	
Interest on Credit Line			4.75%	\$5.82	\$581.97	
Total Variable Costs				\$434.97	\$43,496.85	
Planned Returns Above Variable Costs:					(\$119.97) (\$11,996.85)	
Breakeven Price to Cover Variable Costs			\$96.66	Bale		
FIXED COSTS	Quantity	Units	\$/Unit	Total	Enterprise	
Machinery						
Implements	1	Acre	\$0.04	\$0.04	\$4.11	
Tractors	1	Acre	\$0.13	\$0.13	\$13.02	
Land Rent	1	Acre	\$0.00	\$0.00	\$0.00	
Total Fixed Costs				\$0.17	\$17.13	
Total Specified Costs				\$435.14	\$43,513.99	
Returns Above Specified Costs					(\$120.14) (\$12,013.99)	
Breakeven Price to Cover Total Costs			\$96.70	Bale		

Breakeven Prices						
Yield Percent	Yield Bale	Variable Costs		Total Costs		
		Full	Tenant	Full	Tenant	Landlord
75%	3.38	\$126.95	\$126.95	\$127.00	\$127.00	\$0.00
90%	4.05	\$106.76	\$106.76	\$106.80	\$106.80	\$0.00
100%	4.50	\$96.66	\$96.66	\$96.70	\$96.70	\$0.00
110%	4.95	\$88.40	\$88.40	\$88.43	\$88.43	\$0.00
125%	5.63	\$78.48	\$78.48	\$78.51	\$78.51	\$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.