

**Projections for Planning Purposes Only -- Not to be Used without Updating**  
**2014 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	Roll	\$70.00	\$315.00	\$31,500.00
Total Revenue					\$315.00	\$31,500.00
VARIABLE COSTS		Quantity	Units	\$/Unit	Total	Enterprise Total
Production Costs						
Fertilizer						
17-4-9		300	Pound	\$0.65	\$195.00	\$19,500.00
34-0-0		100	Pound	\$0.48	\$48.00	\$4,800.00
34-0-0		100	Pound	\$0.48	\$48.00	\$4,800.00
Insecticide						
Hay 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		1	Acre	\$7.00	\$7.00	\$700.00
Cut and Bale		1	Acre	\$35.00	\$35.00	\$3,500.00
Custom Spray		1	Acre	\$7.00	\$7.00	\$700.00
Cut and Bale		1	Acre	\$35.00	\$35.00	\$3,500.00
Custom Spray		1	Acre	\$7.00	\$7.00	\$700.00
Cut and Bale		1	Acre	\$35.00	\$35.00	\$3,500.00
Machinery Labor						
Tractors/Self-Propelled		0.02	Hour	\$10.00	\$0.20	\$20.00
Diesel Fuel						
Tractors/Self-Propelled		0.05	Gallon	\$2.65	\$0.13	\$13.25
Repairs & Maintenance						
Tractors/Self-Propelled		1	Acre	\$0.08	\$0.08	\$7.71
Implements		1	Acre	\$0.02	\$0.02	\$1.63
Interest on Credit Line				4.75%	\$5.82	\$581.81
Total Variable Costs					\$434.99	\$43,499.41
Planned Returns Above Variable Costs:					(\$119.99)	(\$11,999.41)
Breakeven Price to Cover Variable Costs				\$96.67	Roll	
FIXED COSTS		Quantity	Units	\$/Unit	Total	Enterprise Total
Machinery Depreciation						
Tractors/Self-Propelled		1	Acre	\$0.08	\$0.08	\$7.97
Implements		1	Acre	\$0.02	\$0.02	\$1.99
Equipment Investment						
Tractors/Self-Propelled		\$0.90	Dollars	6.00%	\$0.05	\$5.40
Implements		\$0.27	Dollars	6.00%	\$0.02	\$1.62
Total Fixed Costs					\$0.17	\$16.98
Total Specified Costs					\$435.16	\$43,516.39
Returns Above Specified Costs					(\$120.16)	(\$12,016.39)
Breakeven Price to Cover Total Costs				\$96.70	Roll	

Example Breakeven Prices						
Example Yield Percent	Example Yield Roll	Price Needed to Cover Example Variable Costs		Price Needed to Cover Example Total Costs		
		Own/Rent	ShareTenant	Own/Rent	ShareTenant	Landlord
75%	3.38	\$128.89	\$128.89	\$128.94	\$128.94	\$0.00
90%	4.05	\$107.41	\$107.41	\$107.45	\$107.45	\$0.00
100%	4.50	\$96.67	\$96.67	\$96.70	\$96.70	\$0.00
110%	4.95	\$87.88	\$87.88	\$87.91	\$87.91	\$0.00
125%	5.63	\$77.33	\$77.33	\$77.36	\$77.36	\$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.**