

**Projections for Planning Purposes Only -- *Not to be Used without Updating***  
**2014 Estimated Costs and Returns per Acre**  
**Coastal Bermudagrass Hay - 100 Acres**  
**North Texas Extension District - 4**

Crop Acres		100				Enterprise
REVENUE	Quantity	Units	\$/Unit	Total	Total	Total
Bermuda Hay	150.00	Bale	\$7.00	\$1,050.00	\$105,000.00	\$105,000.00
<b>Total Revenue</b>				<b>\$1,050.00</b>	<b>\$105,000.00</b>	<b>\$105,000.00</b>
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Total	Enterprise
<b>Production Costs</b>						
Fertilizer						
18-46-0	100	Pounds	\$0.36	\$36.00	\$3,600.00	\$3,600.00
34-0-0	250	Pounds	\$0.35	\$87.50	\$8,750.00	\$8,750.00
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34-0-0	250	Pounds	\$0.35	\$87.50	\$8,750.00	\$8,750.00
Herbicide						
Pre-Emerge Bermuda	1	Acre	\$7.50	\$7.50	\$750.00	\$750.00
Custom						
Custom Baling	60	Bale	\$1.50	\$90.00	\$9,000.00	\$9,000.00
Custom Hay Hauling	60	Bale	\$1.25	\$75.00	\$7,500.00	\$7,500.00
Custom Baling	45	Bale	\$1.50	\$67.50	\$6,750.00	\$6,750.00
Custom Hay Hauling	45	Bale	\$1.25	\$56.25	\$5,625.00	\$5,625.00
Custom Baling	45	Bale	\$1.50	\$67.50	\$6,750.00	\$6,750.00
Custom Hay Hauling	45	Bale	\$1.25	\$56.25	\$5,625.00	\$5,625.00
Machinery Labor						
Tractors/Self-Propelled	0.16	Hour	\$10.00	\$1.60	\$160.00	\$160.00
Diesel Fuel						
Tractors/Self-Propelled	0.71	Gallon	\$3.50	\$2.49	\$248.50	\$248.50
Repairs & Maintenance						
Tractors/Self-Propelled	1	Acre	\$1.97	\$1.97	\$196.59	\$196.59
Implements	1	Acre	\$1.66	\$1.66	\$166.00	\$166.00
Interest on Credit Line			4.75%	\$9.54	\$954.20	\$954.20
<b>Total Variable Costs</b>				<b>\$735.75</b>	<b>\$73,575.29</b>	<b>\$73,575.29</b>
Planned Returns Above Variable Costs:				\$314.25	\$31,424.71	\$31,424.71
Breakeven Price to Cover Variable Costs			\$4.91	Bale		
FIXED COSTS	Quantity	Units	\$/Unit	Total	Total	Enterprise
Machinery Depreciation						
Tractors/Self-Propelled	1	Acre	\$1.79	\$1.79	\$179.09	\$179.09
Implements	1	Acre	\$1.59	\$1.59	\$159.00	\$159.00
Equipment Investment						
Tractors/Self-Propelled	\$20.22	Dollars	6.00%	\$1.21	\$121.32	\$121.32
Implements	\$16.10	Dollars	6.00%	\$0.97	\$96.60	\$96.60
Rent-Coastal	1	Acre	\$12.00	\$12.00	\$1,200.00	\$1,200.00
<b>Total Fixed Costs</b>				<b>\$17.56</b>	<b>\$1,756.01</b>	<b>\$1,756.01</b>
<b>Total Specified Costs</b>				<b>\$753.31</b>	<b>\$75,331.30</b>	<b>\$75,331.30</b>
Returns Above Specified Costs				\$296.69	\$29,668.70	\$29,668.70
<b>Breakeven Price to Cover Total Costs</b>			<b>\$5.02</b>	Bale		

Example Breakeven Prices						
Example Yield Percent	Example Yield Bale	Price Needed to Cover Example Variable Costs		Price Needed to Cover Example Total Costs		
		Own/Rent	ShareTenant	Own/Rent	ShareTenant	Landlord
75%	112.50	\$6.54	\$6.54	\$6.70	\$6.70	\$0.00
90%	135.00	\$5.45	\$5.45	\$5.58	\$5.58	\$0.00
100%	150.00	\$4.91	\$4.91	\$5.02	\$5.02	\$0.00
110%	165.00	\$4.46	\$4.46	\$4.57	\$4.57	\$0.00
125%	187.50	\$3.92	\$3.92	\$4.02	\$4.02	\$0.00

Developed by Blake Bennet, Associate Professor and Extension Economist, Texas A&M AgriLife Extension Service.

**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.**