

Projections for Planning Purposes Only -- *Not to be Used without Updating*
2015 Estimated Costs and Returns per Acre
Coastal Bermudagrass Hay, Small Square Bales (60 lbs,) - 25 Acres
East Texas Extension District - 5

Crop Acres		25			
REVENUE					
	Quantity	Units	\$/Unit	Total	Enterprise Total
Bermuda Hay, 60 lbs. Square Bales	100.00	Bale	\$7.00	\$700.00	\$17,500.00
Total Revenue				\$700.00	\$17,500.00
VARIABLE COSTS					
	Quantity	Units	\$/Unit	Total	Enterprise Total
Production Costs					
Fertilizer					
Nitrogen	240	Pound	\$0.61	\$147.31	\$3,682.86
Phosphate	48	Pound	\$0.61	\$29.22	\$730.43
Potash	192	Pound	\$0.38	\$73.60	\$1,840.00
Lime	0.3333333	Ton	\$50.00	\$16.67	\$416.67
Herbicide					
Glyphosphate	32	Ounce	\$0.09	\$3.00	\$75.00
Pasture Herbicide	4	Acre	\$5.00	\$20.00	\$500.00
Machinery Labor					
Tractors/Self-Propelled	1.99	Hour	\$10.00	\$19.90	\$497.50
Diesel Fuel					
Tractors/Self-Propelled	6.46	Gallon	\$3.28	\$21.19	\$529.72
Gasoline					
Pickup/General Use Equipment	1	Acre	\$16.25	\$16.25	\$406.25
Repairs & Maintenance					
Pickup/General Use Equipment	1	Acre	\$6.12	\$6.12	\$153.00
Tractors/Self-Propelled	1	Acre	\$7.48	\$7.48	\$186.97
Implements	1	Acre	\$4.67	\$4.67	\$116.80
Interest on Credit Line			4.75%	\$5.56	\$139.02
Total Variable Costs				\$370.97	\$9,274.22
Planned Returns Above Variable Costs:				\$329.03	\$8,225.78
Breakeven Price to Cover Variable Costs			\$3.71	Bale	
FIXED COSTS					
	Quantity	Units	\$/Unit	Total	Enterprise Total
Machinery Depreciation					
Pickup/General Use Equipment	1	Acre	\$6.43	\$6.43	\$160.65
Tractors/Self-Propelled	1	Acre	\$6.18	\$6.18	\$154.56
Implements	1	Acre	\$5.63	\$5.63	\$140.68
Equipment Investment					
Pickup/General Use Equipment	\$76.50	Dollars	5.25%	\$4.02	\$100.41
Tractors/Self-Propelled	\$69.80	Dollars	5.25%	\$3.66	\$91.62
Implements	\$69.78	Dollars	5.25%	\$3.66	\$91.58
Bermuda Pasture Rent	1	Acre	\$20.00	\$20.00	\$500.00
Total Fixed Costs				\$49.58	\$1,239.49
Total Specified Costs				\$420.55	\$10,513.72
Returns Above Specified Costs				\$279.45	\$6,986.28
Breakeven Price to Cover Total Costs			\$4.21	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	Share/Tenant	Own/Rent	Share/Tenant	Landlord
75%	75.00	\$4.95	\$4.95	\$5.61	\$5.61	\$0.00
90%	90.00	\$4.12	\$4.12	\$4.67	\$4.67	\$0.00
100%	100.00	\$3.71	\$3.71	\$4.21	\$4.21	\$0.00
110%	110.00	\$3.37	\$3.37	\$3.82	\$3.82	\$0.00
125%	125.00	\$2.97	\$2.97	\$3.36	\$3.36	\$0.00

Developed by Gerald Cornforth, Extension Economist; Vanessa Olson, Extension Forage Specialist; and, Jason Banta, Extension Beef Cattle Specialist, Texas A&M AgriLife Extension Service. For more information, contact: Vanessa Olson or Jason Banta at 903-834-6191.

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.