

Projections for Planning Purposes Only -- *Not to be Used without Updating*
2015 Estimated Costs and Returns per Acre
Coastal Bermudagrass Hay and Grazing (3 Cuttings) - 100 Acres
Coastal Bend Extension District - 11

Crop Acres		100				
REVENUE		Quantity	Units	\$/Unit	Total	Enterprise Total
Coastal Hay		9.00	Roll	\$65.00	\$585.00	\$58,500.00
Coastal Grazing		2.00	AUM	\$13.50	\$27.00	\$2,700.00
Total Revenue					\$612.00	\$61,200.00
VARIABLE COSTS		Quantity	Units	\$/Unit	Total	Enterprise Total
Production Costs						
Fertilizer						
90-20-40		3	Acre	\$90.50	\$271.50	\$27,150.00
Custom						
Custom Spread Truck		3	Acre	\$5.50	\$16.50	\$1,650.00
Miscellaneous						
Hay Wrap		9	Bale	\$1.43	\$12.87	\$1,287.00
Soil Test		1	Acre	\$0.20	\$0.20	\$20.00
Herbicide						
Broadleaf Herbicide		1.3125	Pint	\$8.50	\$11.16	\$1,115.63
Machinery Labor						
Tractors/Self-Propelled		2.14	Hour	\$19.50	\$41.73	\$4,173.00
Diesel Fuel						
Tractors/Self-Propelled		9.21	Gallon	\$3.30	\$30.39	\$3,039.30
Repairs & Maintenance						
Tractors/Self-Propelled		1	Acre	\$10.92	\$10.92	\$1,091.54
Implements		1	Acre	\$3.30	\$3.30	\$330.31
Interest on Credit Line				5.00%	\$7.01	\$700.60
Total Variable Costs					\$405.57	\$40,557.37
Planned Returns Above Variable Costs:					\$206.43	\$20,642.63
Breakeven Price to Cover Variable Costs				\$42.06	Roll	
FIXED COSTS		Quantity	Units	\$/Unit	Total	Enterprise Total
Machinery Depreciation						
Tractors/Self-Propelled		1	Acre	\$9.62	\$9.62	\$962.15
Implements		1	Acre	\$4.56	\$4.56	\$455.67
Equipment Investment						
Tractors/Self-Propelled		\$108.63	Dollars	7.00%	\$7.60	\$760.41
Implements		\$60.62	Dollars	7.00%	\$4.24	\$424.37
Land - Hay Meadow		1	Acre	\$25.00	\$25.00	\$2,500.00
Total Fixed Costs					\$51.03	\$5,102.60
Total Specified Costs					\$456.60	\$45,659.97
Returns Above Specified Costs					\$155.40	\$15,540.03
Breakeven Price to Cover Total Costs				\$47.73	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%	6.75	\$56.08	\$56.08	\$63.64	\$63.64	\$0.00
90%	8.10	\$46.74	\$46.74	\$53.04	\$53.04	\$0.00
100%	9.00	\$42.06	\$42.06	\$47.73	\$47.73	\$0.00
110%	9.90	\$38.24	\$38.24	\$43.39	\$43.39	\$0.00
125%	11.25	\$33.65	\$33.65	\$38.19	\$38.19	\$0.00

Developed by Levi Russell, Assistant 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.