

**Projections for Planning Purposes Only -- Not to be Used without Updating**  
**2015 Estimated Costs and Returns per Acre**  
**Coastal Bermudagrass Hay - 100 Acres**  
**North Texas Extension District - 4**

Crop Acres		100				
<b>REVENUE</b>		Quantity	Units	\$/Unit	Total	Enterprise Total
Bermuda Hay		150.00	Bale	\$7.00	\$1,050.00	\$105,000.00
<b>Total Revenue</b>					<b>\$1,050.00</b>	<b>\$105,000.00</b>
<b>VARIABLE COSTS</b>		Quantity	Units	\$/Unit	Total	Enterprise Total
<b>Production Costs</b>						
Custom						
Custom Baling		150	Bale	\$1.50	\$225.00	\$22,500.00
Custom Hay Hauling		150	Bale	\$1.25	\$187.50	\$18,750.00
Fertilizer						
18-46-0		100	Pounds	\$0.36	\$36.00	\$3,600.00
34-0-0		750	Pounds	\$0.35	\$262.50	\$26,250.00
Herbicide						
Pre-Emerge Bermuda		1	Acre	\$7.50	\$7.50	\$750.00
Machinery Labor						
Tractors/Self-Propelled		0.26	Hour	\$10.00	\$2.60	\$260.00
Diesel Fuel						
Tractors/Self-Propelled		1.3	Gallon	\$3.50	\$4.55	\$455.00
Repairs & Maintenance						
Tractors/Self-Propelled		1	Acre	\$1.78	\$1.78	\$178.49
Implements		1	Acre	\$1.47	\$1.47	\$146.56
Interest on Credit Line				4.75%	\$9.84	\$984.22
<b>Total Variable Costs</b>					<b>\$738.74</b>	<b>\$73,874.27</b>
Planned Returns Above Variable Costs:					\$311.26	\$31,125.73
Breakeven Price to Cover Variable Costs				\$4.92	Bale	
<b>FIXED COSTS</b>		Quantity	Units	\$/Unit	Total	Enterprise Total
Machinery Depreciation						
Tractors/Self-Propelled		1	Acre	\$1.79	\$1.79	\$178.91
Implements		1	Acre	\$1.13	\$1.13	\$113.44
Equipment Investment						
Tractors/Self-Propelled		\$20.20	Dollars	6.00%	\$1.21	\$121.20
Implements		\$15.58	Dollars	6.00%	\$0.93	\$93.48
Rent-Coastal		1	Acre	\$12.00	\$12.00	\$1,200.00
<b>Total Fixed Costs</b>					<b>\$17.07</b>	<b>\$1,707.04</b>
<b>Total Specified Costs</b>					<b>\$755.81</b>	<b>\$75,581.31</b>
Returns Above Specified Costs					\$294.19	\$29,418.69
Breakeven Price to Cover Total Costs				\$5.04	Bale	

<b>Example Breakeven Prices</b>						
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	\$6.57	\$6.57	\$6.72	\$6.72	\$0.00
90%	135.00	\$5.47	\$5.47	\$5.60	\$5.60	\$0.00
100%	150.00	\$4.92	\$4.92	\$5.04	\$5.04	\$0.00
110%	165.00	\$4.48	\$4.48	\$4.58	\$4.58	\$0.00
125%	187.50	\$3.94	\$3.94	\$4.03	\$4.03	\$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.**