

Projections for Planning Purposes Only -- *Not to be Used without Updating*
2016 Estimated Costs and Returns per Acre
Coastal Bermudagrass Hay and Grazing (3 Cuttings) - 100 Acres
Coastal Bend Extension District - 11

Crop Acres		100				Enterprise
REVENUE	Quantity	Units	\$/Unit	Total	Total	
Coastal Hay	9.00	Roll	\$50.00	\$450.00	\$45,000.00	
Coastal Grazing	2.00	AUM	\$13.50	\$27.00	\$2,700.00	
Total Revenue				\$477.00	\$47,700.00	
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total	
Production Costs						
Herbicide						
Broadleaf Herbicide	1.5	Pint	\$5.76	\$8.64	\$864.00	
Fertilizer						
50-20-40`	3	Acre	\$43.60	\$130.80	\$13,080.00	
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	
Machinery Labor						
Tractors/Self-Propelled	2.14	Hour	\$19.50	\$41.73	\$4,173.00	
Diesel Fuel						
Tractors/Self-Propelled	9.21	Gallon	\$2.10	\$19.34	\$1,934.10	
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			4.25%	\$3.38	\$337.76	
Total Variable Costs				\$247.68	\$24,767.70	
Planned Returns Above Variable Costs:				\$229.32	\$22,932.30	
Breakeven Price to Cover Variable Costs			\$24.52	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	\$74.95	Dollars	7.00%	\$5.25	\$524.68	
Implements	\$39.04	Dollars	7.00%	\$2.73	\$273.25	
Land - Hay Meadow	1	Acre	\$25.00	\$25.00	\$2,500.00	
Total Fixed Costs				\$47.16	\$4,715.75	
Total Specified Costs				\$294.83	\$29,483.46	
Returns Above Specified Costs				\$182.17	\$18,216.54	
Breakeven Price to Cover Total Costs			\$29.76	Roll		

Example Breakeven Prices			
Example Yield Percent	Example Yield Roll	Price Needed to Cover Your Variable Costs	Price Needed to Cover Your Total Costs
75%	6.75	\$32.69	\$39.68
90%	8.10	\$27.24	\$33.07
100%	9.00	\$24.52	\$29.76
110%	9.90	\$22.29	\$27.05
125%	11.25	\$19.62	\$23.81

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.