

**Projections for Planning Purposes Only -- *Not to be Used without Updating***  
**2016 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	
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>	
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Enterprise	
<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		
FIXED COSTS	Quantity	Units	\$/Unit	Total	Enterprise	
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	\$13.94	Dollars	6.00%	\$0.84	\$83.63	
Implements	\$11.61	Dollars	6.00%	\$0.70	\$69.66	
Rent-Coastal	1	Acre	\$12.00	\$12.00	\$1,200.00	
<b>Total Fixed Costs</b>				<b>\$16.46</b>	<b>\$1,645.64</b>	
<b>Total Specified Costs</b>				<b>\$755.20</b>	<b>\$75,519.91</b>	
Returns Above Specified Costs				\$294.80	\$29,480.09	
<b>Breakeven Price to Cover Total Costs</b>			<b>\$5.03</b>	Bale		

Example Breakeven Prices			
Example Yield Percent	Example Yield Bale	Price Needed to Cover Your Variable Costs	Price Needed to Cover Your Total Costs
75%	112.50	\$6.57	\$6.71
90%	135.00	\$5.47	\$5.59
100%	150.00	\$4.92	\$5.03
110%	165.00	\$4.48	\$4.58
125%	187.50	\$3.94	\$4.03

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.**