

**Projections for Planning Purposes Only -- Not to be Used without Updating**  
**2016 Estimated Costs and Returns per Acre**  
**Coastal Bermudagrass Hay, Large Bales - 25 Acres**  
**East Texas Extension District - 5**

Crop Acres		25				
<b>REVENUE</b>		Quantity	Units	\$/Unit	Total	Enterprise Total
Bermuda Hay, Large Bales		3.00	Ton	\$90.00	\$270.00	\$6,750.00
Total Revenue					\$270.00	\$6,750.00
<b>VARIABLE COSTS</b>		Quantity	Units	\$/Unit	Total	Enterprise Total
Production Costs						
Custom						
Custom Round Baling		3	Ton	\$50.00	\$150.00	\$3,750.00
Custom Round Bale Hauling		3	Ton	\$2.00	\$6.00	\$150.00
Fertilizer						
Nitrogen		240	Pound	\$0.60	\$144.00	\$3,600.00
Phosphate		48	Pound	\$0.61	\$29.28	\$732.00
Potash		192	Pound	\$0.37	\$71.04	\$1,776.00
Lime		0.333333	Ton	\$60.00	\$20.00	\$500.00
Herbicide						
Glyphosphate		32	Ounce	\$0.10	\$3.13	\$78.13
Pasture Herbicide		4	Acre	\$8.00	\$32.00	\$800.00
Machinery Labor						
Tractors/Self-Propelled		0.37	Hour	\$12.00	\$4.44	\$111.00
Diesel Fuel						
Tractors/Self-Propelled		1.21	Gallon	\$2.00	\$2.42	\$60.50
Gasoline						
Pickup/General Use Equipment		1	Acre	\$1.90	\$1.90	\$47.50
Repairs & Maintenance						
Pickup/General Use Equipment		1	Acre	\$1.22	\$1.22	\$30.60
Tractors/Self-Propelled		1	Acre	\$1.40	\$1.40	\$34.95
Implements		1	Acre	\$0.81	\$0.81	\$20.27
Interest on Credit Line				4.75%	\$6.70	\$167.47
Total Variable Costs					\$474.34	\$11,858.42
Planned Returns Above Variable Costs:					(\$204.34)	(\$5,108.42)
Breakeven Price to Cover Variable Costs				\$158.11	Ton	
<b>FIXED COSTS</b>		Quantity	Units	\$/Unit	Total	Enterprise Total
Machinery Depreciation						
Pickup/General Use Equipment		1	Acre	\$1.29	\$1.29	\$32.13
Tractors/Self-Propelled		1	Acre	\$1.16	\$1.16	\$28.90
Implements		1	Acre	\$0.73	\$0.73	\$18.24
Equipment Investment						
Pickup/General Use Equipment		\$8.87	Dollars	5.25%	\$0.47	\$11.65
Tractors/Self-Propelled		\$9.00	Dollars	5.25%	\$0.47	\$11.82
Implements		\$3.12	Dollars	5.25%	\$0.16	\$4.10
Bermuda Pasture Rent		1	Acre	\$20.00	\$20.00	\$500.00
Total Fixed Costs					\$24.27	\$606.83
Total Specified Costs					\$498.61	\$12,465.24
Returns Above Specified Costs					(\$228.61)	(\$5,715.24)
Breakeven Price to Cover Total Costs				\$166.20	Ton	

Example Breakeven Prices			
Example Yield Percent	Example Yield Ton	Price Needed to Cover Your Variable Costs	Price Needed to Cover Your Total Costs
75%	2.25	\$210.82	\$221.60
90%	2.70	\$175.68	\$184.67
100%	3.00	\$158.11	\$166.20
110%	3.30	\$143.74	\$151.09
125%	3.75	\$126.49	\$132.96

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.**