

**Projections for Planning Purposes Only -- Not to be Used without Updating**  
**2016 Estimated Costs and Returns per Acre**  
**Coastal Bermudagrass Hay, Small Square Bales (60 lbs.) - 25 Acres**  
**East Texas Extension District - 5**

Crop Acres		25			
				Enterprise	
REVENUE	Quantity	Units	\$/Unit	Total	Total
Bermuda Hay, 60 lbs. Square Bales	100.00	Bale	\$7.00	\$700.00	\$17,500.00
<b>Total Revenue</b>				<b>\$700.00</b>	<b>\$17,500.00</b>
				Enterprise	
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Total
<b>Production Costs</b>					
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	1.99	Hour	\$12.00	\$23.88	\$597.00
Diesel Fuel					
Tractors/Self-Propelled	6.46	Gallon	\$2.00	\$12.92	\$323.00
Gasoline					
Pickup/General Use Equipment	1	Acre	\$9.50	\$9.50	\$237.50
Repairs & Maintenance					
Pickup/General Use Equipment	1	Acre	\$6.12	\$6.12	\$153.00
Tractors/Self-Propelled	1	Acre	\$7.48	\$7.48	\$186.97
Implements	1	Acre	\$4.67	\$4.67	\$116.79
Interest on Credit Line			4.75%	\$5.40	\$135.12
<b>Total Variable Costs</b>				<b>\$369.42</b>	<b>\$9,235.51</b>
Planned Returns Above Variable Costs:				\$330.58	\$8,264.49
Breakeven Price to Cover Variable Costs			\$3.69	Bale	
				Enterprise	
FIXED COSTS	Quantity	Units	\$/Unit	Total	Total
Machinery Depreciation					
Pickup/General Use Equipment	1	Acre	\$6.43	\$6.43	\$160.65
Tractors/Self-Propelled	1	Acre	\$6.18	\$6.18	\$154.56
Implements	1	Acre	\$5.63	\$5.63	\$140.67
Equipment Investment					
Pickup/General Use Equipment	\$44.37	Dollars	5.25%	\$2.33	\$58.24
Tractors/Self-Propelled	\$48.16	Dollars	5.25%	\$2.53	\$63.22
Implements	\$43.79	Dollars	5.25%	\$2.30	\$57.47
Bermuda Pasture Rent	1	Acre	\$20.00	\$20.00	\$500.00
<b>Total Fixed Costs</b>				<b>\$45.39</b>	<b>\$1,134.81</b>
<b>Total Specified Costs</b>				<b>\$414.81</b>	<b>\$10,370.32</b>
Returns Above Specified Costs				\$285.19	\$7,129.68
Breakeven Price to Cover Total Costs			\$4.15	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%	75.00	\$4.93	\$5.53
90%	90.00	\$4.10	\$4.61
100%	100.00	\$3.69	\$4.15
110%	110.00	\$3.36	\$3.77
125%	125.00	\$2.96	\$3.32

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.**