

**Projections for Planning Purposes Only -- *Not to be Used without Updating***  
**2016 Estimated Costs and Returns per Acre**  
**Coastal Bermudagrass Hay - 100 Acres**  
**Central Texas Extension District - 8**

Crop Acres	100				
REVENUE	Quantity	Units	\$/Unit	Total	Enterprise Total
Bermuda Hay	4.50	Roll	\$65.00	\$292.50	\$29,250.00
<b>Total Revenue</b>				<b>\$292.50</b>	<b>\$29,250.00</b>
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
<b>Production Costs</b>					
Custom					
Land Renovation	1	Acre	\$5.00	\$5.00	\$500.00
Custom Spray	3	Acre	\$7.00	\$21.00	\$2,100.00
Cut and Bale	3	Acre	\$35.00	\$105.00	\$10,500.00
Fertilizer					
17-4-9	300	Pound	\$0.65	\$195.00	\$19,500.00
34-0-0	200	Pound	\$0.48	\$96.00	\$9,600.00
Insecticide					
Hay Pre and Post Herbicide	1	Acre	\$6.75	\$6.75	\$675.00
Machinery Labor					
Tractors/Self-Propelled	1.43	Hour	\$10.00	\$14.30	\$1,430.00
Diesel Fuel					
Tractors/Self-Propelled	4.64	Gallon	\$2.65	\$12.30	\$1,229.60
Repairs & Maintenance					
Tractors/Self-Propelled	1	Acre	\$5.37	\$5.37	\$536.64
Implements	1	Acre	\$0.68	\$0.68	\$67.61
Interest on Credit Line			4.75%	\$6.04	\$604.32
<b>Total Variable Costs</b>				<b>\$467.43</b>	<b>\$46,743.18</b>
<b>Planned Returns Above Variable Costs:</b>				<b>(\$174.93)</b>	<b>(\$17,493.18)</b>
<b>Breakeven Price to Cover Variable Costs</b>			<b>\$103.87</b>	Roll	
FIXED COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
Machinery Depreciation					
Tractors/Self-Propelled	1	Acre	\$4.44	\$4.44	\$443.63
Implements	1	Acre	\$0.81	\$0.81	\$81.20
Equipment Investment					
Tractors/Self-Propelled	\$34.56	Dollars	6.00%	\$2.07	\$207.36
Implements	\$6.58	Dollars	6.00%	\$0.39	\$39.48
<b>Total Fixed Costs</b>				<b>\$7.72</b>	<b>\$771.66</b>
<b>Total Specified Costs</b>				<b>\$475.15</b>	<b>\$47,514.84</b>
<b>Returns Above Specified Costs</b>				<b>(\$182.65)</b>	<b>(\$18,264.84)</b>
<b>Breakeven Price to Cover Total Costs</b>			<b>\$105.59</b>	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%	3.38	\$138.50	\$140.78
90%	4.05	\$115.42	\$117.32
100%	4.50	\$103.87	\$105.59
110%	4.95	\$94.43	\$95.99
125%	5.63	\$83.10	\$84.47

Developed by Jason Johnson, Associate Professor and Extension Economist, Texas A&M AgriLife Extension.

**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.**