

Projections for Planning Purposes Only -- Not to be Used without Updating
2017 Estimated Costs and Returns per Acre
Coastal Bermudagrass Hay, Large Bales - 25 Acres
East Texas Extension District - 5

Crop Acres	25					Enterprise
REVENUE	Quantity	Units	\$/Unit	Total	Total	
Bermuda Hay, Large Bales	3.00	Ton	\$90.00	\$270.00	\$6,750.00	
Total Revenue				\$270.00	\$6,750.00	
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Enterprise	
Production Costs	Total					
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	\$0.43	\$102.00	\$2,550.00	
Phosphate	48	Pound	\$0.50	\$24.00	\$600.00	
Potash	192	Pound	\$0.25	\$48.00	\$1,200.00	
Lime	0.333333	Ton	\$60.00	\$20.00	\$500.00	
Herbicide						
Glyphosphate	32	Ounce	\$0.11	\$3.50	\$87.50	
Pasture Herbicide	4	Acre	\$8.00	\$32.00	\$800.00	
Machinery Labor						
Tractors/Self-Propelled	0.41	Hour	\$15.00	\$6.15	\$153.75	
Diesel Fuel						
Tractors/Self-Propelled	1.32	Gallon	\$2.00	\$2.64	\$66.00	
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	\$1.70	\$1.70	\$42.43	
Implements	1	Acre	\$0.63	\$0.63	\$15.63	
Interest on Credit Line				4.75%	\$5.54	\$138.55
Total Variable Costs				\$405.28	\$10,131.96	
Planned Returns Above Variable Costs:					(\$135.28)	(\$3,381.96)
Breakeven Price to Cover Variable Costs				\$135.09	Ton	
FIXED COSTS	Quantity	Units	\$/Unit	Total	Enterprise	
Machinery Depreciation	Total					
Pickup/General Use Equipment	1	Acre	\$1.29	\$1.29	\$32.13	
Tractors/Self-Propelled	1	Acre	\$1.40	\$1.40	\$35.08	
Implements	1	Acre	\$0.56	\$0.56	\$14.07	
Equipment Investment						
Pickup/General Use Equipment	\$8.87	Dollars	5.25%	\$0.47	\$11.65	
Tractors/Self-Propelled	\$10.93	Dollars	5.25%	\$0.57	\$14.35	
Implements	\$2.41	Dollars	5.25%	\$0.13	\$3.16	
Bermuda Pasture Rent	1	Acre	\$20.00	\$20.00	\$500.00	
Total Fixed Costs				\$24.42	\$610.42	
Total Specified Costs				\$429.70	\$10,742.38	
Returns Above Specified Costs					(\$159.70)	(\$3,992.38)
Breakeven Price to Cover Total Costs				\$143.23	Ton	

Example Breakeven Prices			
Example Yield Percent	Example Yield Ton	To Cover Variable Costs	To Cover Total Costs
75%	2.25	\$180.12	\$190.98
90%	2.70	\$150.10	\$159.15
100%	3.00	\$135.09	\$143.23
110%	3.30	\$122.81	\$130.21
125%	3.75	\$108.07	\$114.59

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.