

Projections for Planning Purposes Only -- Not to be Used without Updating
2018 Estimated Costs and Returns per Acre
Coastal Bermudagrass Hay, Large Bales
East Texas Extension District - 5

Crop Acres		25			
REVENUE	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
VARIABLE COSTS	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	\$0.43	\$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	\$1.71	\$1.71	\$42.81
Implements	1	Acre	\$0.58	\$0.58	\$14.44
Interest on Credit Line			4.75%	\$5.64	\$141.07
Total Variable Costs				\$405.35	\$10,133.67
Planned Returns Above Variable Costs:					
Breakeven Price to Cover Variable Costs				\$135.12	Ton
				(\$135.35)	(\$3,383.67)
FIXED COSTS	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	\$1.42	\$1.42	\$35.39
Implements	1	Acre	\$0.52	\$0.52	\$13.00
Equipment Investment					
Pickup/General Use Equipment	\$8.87	Dollars	5.25%	\$0.47	\$11.65
Tractors/Self-Propelled	\$11.03	Dollars	5.25%	\$0.58	\$14.47
Implements	\$2.22	Dollars	5.25%	\$0.12	\$2.92
Bermuda Pasture Rent	1	Acre	\$20.00	\$20.00	\$500.00
Total Fixed Costs				\$24.38	\$609.56
Total Specified Costs				\$429.73	\$10,743.23
Returns Above Specified Costs					
				(\$159.73)	(\$3,993.23)
Breakeven Price to Cover Total Costs				\$143.24	Ton

Example Breakeven Prices			
Example Yield Percent	Example Yield Ton	To Cover Variable Costs	To Cover Total Costs
75%	2.25	\$180.15	\$190.99
90%	2.70	\$150.13	\$159.16
100%	3.00	\$135.12	\$143.24
110%	3.30	\$122.83	\$130.22
125%	3.75	\$108.09	\$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.