

Projections for Planning Purposes Only -- Not to be Used without Updating
2019 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	\$95.00	\$285.00	\$7,125.00
Total Revenue				\$285.00	\$7,125.00
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	\$0.55	\$132.00	\$3,300.00
Phosphate	48	Pound	\$0.50	\$24.00	\$600.00
Potash	192	Pound	\$0.30	\$57.60	\$1,440.00
Lime	0.333333	Ton	\$65.00	\$21.67	\$541.67
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	\$1.60	\$1.60	\$40.03
Implements	1	Acre	\$0.58	\$0.58	\$14.45
Interest on Credit Line			4.75%	\$6.30	\$157.56
Total Variable Costs				\$447.16	\$11,179.05
Planned Returns Above Variable Costs:					
Breakeven Price to Cover Variable Costs				\$149.05	Ton
				(\$162.16)	(\$4,054.05)
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	\$1.32	\$1.32	\$33.09
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	\$10.31	Dollars	5.25%	\$0.54	\$13.53
Implements	\$2.22	Dollars	5.25%	\$0.12	\$2.92
Bermuda Pasture Rent	1	Acre	\$20.00	\$20.00	\$500.00
Total Fixed Costs				\$24.25	\$606.32
Total Specified Costs				\$471.41	\$11,785.37
Returns Above Specified Costs					
				(\$186.41)	(\$4,660.37)
Breakeven Price to Cover Total Costs				\$157.14	Ton

Example Breakeven Prices			
Example Yield Percent	Example Yield Ton	To Cover Variable Costs	To Cover Total Costs
75%	2.25	\$198.74	\$209.52
90%	2.70	\$165.62	\$174.60
100%	3.00	\$149.05	\$157.14
110%	3.30	\$135.50	\$142.85
125%	3.75	\$119.24	\$125.71

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.