

**Projections for Planning Purposes Only -- Not to be Used without Updating**  
**2019 Estimated Costs and Returns per Acre**  
**Coastal Bermudagrass Hay, Small Square Bales (60 lbs.)**  
**East Texas Extension District - 5**

Crop Acres		25		Enterprise	
REVENUE	Quantity	Units	\$/Unit	Total	Total
Bermuda Hay, 60 lbs. Square Bales(in field)	100.00	Bale	\$7.00	\$700.00	\$17,500.00
<b>Total Revenue</b>				<b>\$700.00</b>	<b>\$17,500.00</b>
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
<b>Production Costs</b>					
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	2.01	Hour	\$15.00	\$30.15	\$753.75
Diesel Fuel					
Tractors/Self-Propelled	6.54	Gallon	\$2.00	\$13.08	\$327.00
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	\$7.95	\$7.95	\$198.69
Implements	1	Acre	\$7.75	\$7.75	\$193.78
Interest on Credit Line			4.75%	\$5.37	\$134.28
<b>Total Variable Costs</b>				<b>\$350.69</b>	<b>\$8,767.17</b>
Planned Returns Above Variable Costs:				\$349.31	\$8,732.83
Breakeven Price to Cover Variable Costs			\$3.51	Bale	
FIXED COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
Machinery Depreciation					
Pickup/General Use Equipment	1	Acre	\$6.43	\$6.43	\$160.65
Tractors/Self-Propelled	1	Acre	\$6.57	\$6.57	\$164.25
Implements	1	Acre	\$8.98	\$8.98	\$224.50
Equipment Investment					
Pickup/General Use Equipment	\$44.37	Dollars	5.25%	\$2.33	\$58.24
Tractors/Self-Propelled	\$51.18	Dollars	5.25%	\$2.69	\$67.18
Implements	\$67.43	Dollars	5.25%	\$3.54	\$88.50
Bermuda Pasture Rent	1	Acre	\$20.00	\$20.00	\$500.00
<b>Total Fixed Costs</b>				<b>\$50.53</b>	<b>\$1,263.32</b>
<b>Total Specified Costs</b>				<b>\$401.22</b>	<b>\$10,030.49</b>
Returns Above Specified Costs				\$298.78	\$7,469.51
Breakeven Price to Cover Total Costs			\$4.01	Bale	

Example Breakeven Prices			
Example Yield Percent	Example Yield Bale	To Cover Variable Costs	To Cover Total Costs
75%	75.00	\$4.68	\$5.35
90%	90.00	\$3.90	\$4.46
100%	100.00	\$3.51	\$4.01
110%	110.00	\$3.19	\$3.65
125%	125.00	\$2.81	\$3.21

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.**