

**Projections for Planning Purposes Only -- Not to be Used without Updating**  
**2019 Estimated Costs and Returns per Acre**  
**Coastal Bermudagrass Hay**  
**Central Texas Extension District - 8**

Crop Acres	100					Enterprise
REVENUE	Quantity	Units	\$/Unit	Total	Total	Total
Bermuda Hay	6.00	Roll	\$65.00	\$390.00	\$390.00	\$39,000.00
<b>Total Revenue</b>				<b>\$390.00</b>	<b>\$390.00</b>	<b>\$39,000.00</b>
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Total	Enterprise
<b>Production Costs</b>						
Custom						
Land Renovation	1	Acre	\$5.00	\$5.00	\$5.00	\$500.00
Custom Spray	3	Acre	\$5.00	\$15.00	\$15.00	\$1,500.00
Cut and Bale	3	Acre	\$40.00	\$120.00	\$120.00	\$12,000.00
Fertilizer						
24-6-12	300	Pound	\$0.23	\$69.00	\$69.00	\$6,900.00
34-0-0	300	Pound	\$0.18	\$54.00	\$54.00	\$5,400.00
Insecticide						
Hay Pre and Post Herbicide	1	Acre	\$6.75	\$6.75	\$6.75	\$675.00
Machinery Labor						
Tractors/Self-Propelled	1.43	Hour	\$10.00	\$14.30	\$14.30	\$1,430.00
Diesel Fuel						
Tractors/Self-Propelled	4.63	Gallon	\$2.40	\$11.11	\$11.11	\$1,111.20
Repairs & Maintenance						
Tractors/Self-Propelled	1	Acre	\$5.63	\$5.63	\$5.63	\$563.49
Implements	1	Acre	\$0.64	\$0.64	\$0.64	\$63.52
Interest on Credit Line			4.75%	\$3.31	\$3.31	\$330.97
<b>Total Variable Costs</b>				<b>\$304.74</b>	<b>\$304.74</b>	<b>\$30,474.18</b>
Planned Returns Above Variable Costs:				\$85.26	\$85.26	\$8,525.82
Breakeven Price to Cover Variable Costs			\$50.79	Roll		
FIXED COSTS	Quantity	Units	\$/Unit	Total	Total	Enterprise
Machinery Depreciation						
Tractors/Self-Propelled	1	Acre	\$4.66	\$4.66	\$4.66	\$465.82
Implements	1	Acre	\$0.85	\$0.85	\$0.85	\$84.72
Equipment Investment						
Tractors/Self-Propelled	\$36.29	Dollars	6.00%	\$2.18	\$2.18	\$217.73
Implements	\$6.50	Dollars	6.00%	\$0.39	\$0.39	\$39.03
<b>Total Fixed Costs</b>				<b>\$8.07</b>	<b>\$8.07</b>	<b>\$807.29</b>
<b>Total Specified Costs</b>				<b>\$312.81</b>	<b>\$312.81</b>	<b>\$31,281.48</b>
Returns Above Specified Costs				\$77.19	\$77.19	\$7,718.52
<b>Breakeven Price to Cover Total Costs</b>			<b>\$52.14</b>	Roll		

Example Breakeven Prices			
Example Yield Percent	Example Yield Roll	To Cover Variable Costs	To Cover Total Costs
75%	4.50	\$67.72	\$69.51
90%	5.40	\$56.43	\$57.93
100%	6.00	\$50.79	\$52.14
110%	6.60	\$46.17	\$47.40
125%	7.50	\$40.63	\$41.71

Developed by Jason Johnson, Associate Professor and Extension Economist, Texas A&M AgriLife Extension, 254-968-4144.

**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.**