

Projections for Planning Purposes Only -- Not to be Used without Updating
2020 Estimated Costs and Returns per Acre
Coastal Bermudagrass Hay, Large Bales
East Texas Extension District - 5

Crop Acres		25		Enterprise	
REVENUE	Quantity	Units	\$/Unit	Total	Total
Bermuda Hay, Large Bales	3.00	Ton	\$130.00	\$390.00	\$9,750.00
Total Revenue				\$390.00	\$9,750.00
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	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	\$10.00	\$40.00	\$1,000.00
Machinery Labor					
Tractors/Self-Propelled	0.41	Hour	\$15.00	\$6.15	\$153.75
Diesel Fuel					
Tractors/Self-Propelled	1.32	Gallon	\$2.40	\$3.17	\$79.20
Gasoline					
Pickup/General Use Equipment	1	Acre	\$2.25	\$2.25	\$56.25
Repairs & Maintenance					
Pickup/General Use Equipment	1	Acre	\$1.22	\$1.22	\$30.60
Tractors/Self-Propelled	1	Acre	\$1.64	\$1.64	\$41.10
Implements	1	Acre	\$0.60	\$0.60	\$14.93
Interest on Credit Line			4.75%	\$6.45	\$161.37
Total Variable Costs				\$456.25	\$11,406.37
Planned Returns Above Variable Costs:				(\$66.25)	(\$1,656.37)
Breakeven Price to Cover Variable Costs			\$152.08	Ton	
FIXED COSTS	Quantity	Units	\$/Unit	Total	Total
Machinery Depreciation					
Pickup/General Use Equipment	1	Acre	\$1.29	\$1.29	\$32.13
Tractors/Self-Propelled	1	Acre	\$1.36	\$1.36	\$33.98
Implements	1	Acre	\$0.54	\$0.54	\$13.44
Equipment Investment					
Pickup/General Use Equipment	\$8.87	Dollars	5.25%	\$0.47	\$11.65
Tractors/Self-Propelled	\$10.59	Dollars	5.25%	\$0.56	\$13.90
Implements	\$2.30	Dollars	5.25%	\$0.12	\$3.02
Bermuda Pasture Rent	1	Acre	\$20.00	\$20.00	\$500.00
Total Fixed Costs				\$24.32	\$608.11
Total Specified Costs				\$480.58	\$12,014.48
Returns Above Specified Costs				(\$90.58)	(\$2,264.48)
Breakeven Price to Cover Total Costs			\$160.19	Ton	

Example Breakeven Prices			
Example Yield Percent	Example Yield Ton	To Cover Variable Costs	To Cover Total Costs
75%	2.25	\$202.78	\$213.59
90%	2.70	\$168.98	\$177.99
100%	3.00	\$152.08	\$160.19
110%	3.30	\$138.26	\$145.63
125%	3.75	\$121.67	\$128.15

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.