

Projections for Planning Purposes Only -- Not to be Used without Updating
2020 Estimated Costs and Returns per Acre
Irrigated Bermudagrass Hay
Southwest Extension District - 10

| Crop Acres | 100 | | | | | Enterprise |
|---|----------|---------|----------|-------------------|---------------------|------------|
| REVENUE | Quantity | Units | \$/Unit | Total | Total | |
| Bermuda Hay | 12.00 | Ton | \$260.00 | \$3,120.00 | \$312,000.00 | |
| Total Revenue | | | | \$3,120.00 | \$312,000.00 | |
| VARIABLE COSTS | Quantity | Units | \$/Unit | Total | Enterprise | |
| Production Costs | | | | | Total | |
| Fertilizer | | | | | | |
| Fertilizer 22-6-17 | 1816 | Pound | \$0.20 | \$363.20 | \$36,320.00 | |
| Herbicide | | | | | | |
| Prowl H2O | 4 | Pint | \$6.02 | \$24.08 | \$2,407.60 | |
| Miscellaneous | | | | | | |
| Miscellaneous Forage Overhead | 1 | Acre | \$4.00 | \$4.00 | \$400.00 | |
| Irrigation | | | | | | |
| Energy Cost | 3036.00 | kWh | \$0.17 | \$516.12 | \$51,612.00 | |
| Irrigation Labor | 0.37 | Hour | \$11.00 | \$4.05 | \$404.80 | |
| Machinery Labor | | | | | | |
| Tractors/Self-Propelled | 4.09 | Hour | \$12.00 | \$49.08 | \$4,908.00 | |
| Diesel Fuel | | | | | | |
| Tractors/Self-Propelled | 17.89 | Gallon | \$2.49 | \$44.55 | \$4,454.61 | |
| Gasoline | | | | | | |
| Pickup/General Use Equipment | 1 | Acre | \$23.62 | \$23.62 | \$2,362.12 | |
| Repairs & Maintenance | | | | | | |
| Pickup/General Use Equipment | 1 | Acre | \$13.44 | \$13.44 | \$1,344.00 | |
| Irrigation Equipment | 1 | Acre | \$28.62 | \$28.62 | \$2,861.73 | |
| Tractors/Self-Propelled | 1 | Acre | \$24.44 | \$24.44 | \$2,444.39 | |
| Implements | 1 | Acre | \$14.51 | \$14.51 | \$1,451.19 | |
| Interest on Credit Line | | | 6.50% | \$10.42 | \$1,041.91 | |
| Total Variable Costs | | | | \$1,120.12 | \$112,012.35 | |
| Planned Returns Above Variable Costs: | | | | \$1,999.88 | \$199,987.65 | |
| Breakeven Price to Cover Variable Costs | | | \$93.34 | Ton | | |
| FIXED COSTS | Quantity | Units | \$/Unit | Total | Enterprise | |
| Machinery Depreciation | | | | | Total | |
| Pickup/General Use Equipment | 1 | Acre | \$25.74 | \$25.74 | \$2,574.00 | |
| Irrigation Equipment | 1 | Acre | \$98.31 | \$98.31 | \$9,831.25 | |
| Tractors/Self-Propelled | 1 | Acre | \$24.65 | \$24.65 | \$2,465.18 | |
| Implements | 1 | Acre | \$19.44 | \$19.44 | \$1,944.37 | |
| Equipment Investment | | | | | | |
| Pickup/General Use Equipment | \$107.25 | Dollars | 6.50% | \$6.97 | \$697.13 | |
| Irrigation Equipment | \$788.13 | Dollars | 6.50% | \$51.23 | \$5,122.81 | |
| Tractors/Self-Propelled | \$191.53 | Dollars | 6.50% | \$12.45 | \$1,244.97 | |
| Implements | \$143.14 | Dollars | 6.50% | \$9.30 | \$930.44 | |
| Irrigated Winter Garden Rent | 1 | Acre | \$50.00 | \$50.00 | \$5,000.00 | |
| Total Fixed Costs | | | | \$298.10 | \$29,810.15 | |
| Total Specified Costs | | | | \$1,418.22 | \$141,822.50 | |
| Returns Above Specified Costs | | | | \$1,701.78 | \$170,177.50 | |
| Breakeven Price to Cover Total Costs | | | \$118.19 | Ton | | |

| Example Breakeven Prices | | | |
|--------------------------|-------------------|-------------------------|----------------------|
| Example Yield Percent | Example Yield Ton | To Cover Variable Costs | To Cover Total Costs |
| 75% | 9.00 | \$124.46 | \$157.58 |
| 90% | 10.80 | \$103.72 | \$131.32 |
| 100% | 12.00 | \$93.34 | \$118.19 |
| 110% | 13.20 | \$84.86 | \$107.44 |
| 125% | 15.00 | \$74.67 | \$94.55 |

Developed by Rob Hogan, Associate Professor and Extension Economist, Texas A&M AgriLife Extension, 830-278-9151.

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.