

**Projections for Planning Purposes Only -- Not to be Used without Updating**  
**2020 Estimated Costs and Returns per Acre**  
**Coastal Bermudagrass Hay**  
**North Texas Extension District - 4**

Crop Acres		100			
REVENUE	Quantity	Units	\$/Unit	Total	Enterprise Total
Bermuda Hay	150.00	Bale	\$10.00	\$1,500.00	\$150,000.00
<b>Total Revenue</b>				<b>\$1,500.00</b>	<b>\$150,000.00</b>
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
<b>Production Costs</b>					
Custom					
Custom Baling	150	Bale	\$1.50	\$225.00	\$22,500.00
Custom Hay Hauling	150	Bale	\$1.25	\$187.50	\$18,750.00
Fertilizer					
18-46-0	100	Pounds	\$0.36	\$36.00	\$3,600.00
34-0-0	750	Pounds	\$0.35	\$262.50	\$26,250.00
Herbicide					
Pre-Emerge Bermuda	1	Acre	\$7.50	\$7.50	\$750.00
Machinery Labor					
Tractors/Self-Propelled	0.26	Hour	\$10.00	\$2.60	\$260.00
Diesel Fuel					
Tractors/Self-Propelled	1.3	Gallon	\$2.50	\$3.25	\$325.00
Repairs & Maintenance					
Tractors/Self-Propelled	1	Acre	\$1.98	\$1.98	\$198.45
Implements	1	Acre	\$1.35	\$1.35	\$135.04
Interest on Credit Line			4.75%	\$9.88	\$987.56
<b>Total Variable Costs</b>				<b>\$737.56</b>	<b>\$73,756.06</b>
Planned Returns Above Variable Costs:				\$762.44	\$76,243.94
Breakeven Price to Cover Variable Costs			\$4.92	Bale	
FIXED COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
Machinery Depreciation					
Tractors/Self-Propelled	1	Acre	\$1.99	\$1.99	\$199.11
Implements	1	Acre	\$1.06	\$1.06	\$106.31
Equipment Investment					
Tractors/Self-Propelled	\$15.51	Dollars	6.00%	\$0.93	\$93.07
Implements	\$10.12	Dollars	6.00%	\$0.61	\$60.73
Rent-Coastal	1	Acre	\$12.00	\$12.00	\$1,200.00
<b>Total Fixed Costs</b>				<b>\$16.59</b>	<b>\$1,659.21</b>
<b>Total Specified Costs</b>				<b>\$754.15</b>	<b>\$75,415.27</b>
Returns Above Specified Costs				\$745.85	\$74,584.73
<b>Breakeven Price to Cover Total Costs</b>			<b>\$5.03</b>	<b>Bale</b>	

Example Breakeven Prices			
Example Yield Percent	Example Yield Bale	To Cover Variable Costs	To Cover Total Costs
75%	112.50	\$6.56	\$6.70
90%	135.00	\$5.46	\$5.59
100%	150.00	\$4.92	\$5.03
110%	165.00	\$4.47	\$4.57
125%	187.50	\$3.93	\$4.02

Developed by Blake Bennet, Associate Professor and Extension Economist, Texas A&M AgriLife Extension Service, 972-952-9273.

**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.**