

Projections for Planning Purposes Only -- Not to be Used without Updating
2021 Estimated Costs and Returns per Acre
Dryland Bermudagrass Hay
West Central Extension District - 7

Crop Acres		100				
REVENUE		Quantity	Units	\$/Unit	Total	Enterprise Total
Hay, 1200# BRB		3.33	Ton	\$145.00	\$482.85	\$48,285.00
Total Revenue					\$482.85	\$48,285.00
VARIABLE COSTS		Quantity	Units	\$/Unit	Total	Enterprise Total
Production Costs						
Herbicide						
2-4D Amine 4		4	Pint	\$1.61	\$6.45	\$645.00
Fertilizer						
Nitrogen Dry-Urea		51	Pounds	\$0.40	\$20.51	\$2,051.22
Phos (11-52-0 DRY MAT)		12	Pounds	\$0.45	\$5.42	\$542.28
Potassium		27	Pounds	\$0.30	\$8.10	\$810.00
Nitrogen N32-liq		64	Pounds	\$0.38	\$24.50	\$2,449.92
Custom						
Soil Test-Dryland		1	Each	\$0.25	\$0.25	\$25.00
Swath, Rake and Bale		3.3	Bale	\$29.58	\$97.61	\$9,761.40
Miscellaneous						
Rainfall Insurance		1	Acre	\$23.26	\$23.26	\$2,326.00
Insecticide						
Dimilin 2L		1.5	Ounce	\$2.08	\$3.12	\$311.72
Machinery Labor						
Tractors/Self-Propelled		0.14	Hour	\$15.00	\$2.10	\$210.00
Diesel Fuel						
Tractors/Self-Propelled		0.9	Gallon	\$1.50	\$1.35	\$135.00
Gasoline						
Pickup/General Use Equipment		1	Acre	\$1.80	\$1.80	\$180.00
Repairs & Maintenance						
Pickup/General Use Equipment		1	Acre	\$0.75	\$0.75	\$75.25
Tractors/Self-Propelled		1	Acre	\$1.28	\$1.28	\$128.03
Implements		1	Acre	\$0.01	\$0.01	\$1.40
Interest on Credit Line				4.55%	\$2.35	\$234.52
Total Variable Costs					\$198.87	\$19,886.74
Planned Returns Above Variable Costs:					\$283.98	\$28,398.26
Breakeven Price to Cover Variable Costs				\$59.72	Ton	
FIXED COSTS		Quantity	Units	\$/Unit	Total	Enterprise Total
Machinery Depreciation						
Pickup/General Use Equipment		1	Acre	\$1.58	\$1.58	\$157.50
Tractors/Self-Propelled		1	Acre	\$4.50	\$4.50	\$450.08
Implements		1	Acre	\$0.01	\$0.01	\$1.08
Equipment Investment						
Pickup/General Use Equipment		\$9.63	Dollars	5.50%	\$0.53	\$52.94
Tractors/Self-Propelled		\$33.55	Dollars	5.50%	\$1.85	\$184.52
Implements		\$0.11	Dollars	5.50%	\$0.01	\$0.62
Allocated Establishment Cost		1	Acre	\$56.64	\$56.64	\$5,663.60
Rent-Dryland Crop		1	Acre	\$35.00	\$35.00	\$3,500.00
Total Fixed Costs					\$100.10	\$10,010.34
Total Specified Costs					\$298.97	\$29,897.08
Returns Above Specified Costs					\$183.88	\$18,387.92
Breakeven Price to Cover Total Costs				\$89.78	Ton	

Example Breakeven Prices			
Exmpl Yield Percen	Example Yield Ton	To Cover Variable Costs	To Cover Total Costs
75%	2.50	\$79.63	\$119.71
90%	3.00	\$66.36	\$99.76
100%	3.33	\$59.72	\$89.78
110%	3.66	\$54.29	\$81.62
125%	4.16	\$47.78	\$71.82

Developed by Bill Thompson, Assistant Professor and Extension Economist, Texas A&M AgriLife Extension Service, 325-653-4576.

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.