

Projections for Planning Purposes Only -- Not to be Used without Updating
2023 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	\$214.00	\$712.62	\$71,262.00
Total Revenue							\$712.62	\$71,262.00
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	\$0.62	\$31.62	\$3,162.00
Phos (11-52-0 DRY MAT)				12	Pounds	\$1.29	\$15.48	\$1,548.00
Potassium				27	Pounds	\$0.30	\$8.10	\$810.00
Nitrogen N32-liq				64	Pounds	\$2.69	\$172.16	\$17,216.00
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				0.2	Hour	\$17.21	\$3.44	\$344.20
Diesel Fuel								
Tractors/Self-Propelled				0.75	Gallon	\$2.24	\$1.68	\$168.00
Gasoline								
Pickup/General Use Equipment				1	Acre	\$2.09	\$2.09	\$209.00
Repairs & Maintenance								
Pickup/General Use Equipment				1	Acre	\$0.75	\$0.75	\$75.25
Tractors/Self-Propelled				1	Acre	\$1.38	\$1.38	\$138.33
Implements				1	Acre	\$0.04	\$0.04	\$3.83
Interest on Credit Line						8.00%	\$6.67	\$666.85
Total Variable Costs							\$374.11	\$37,410.58
Planned Returns Above Variable Costs:							\$338.51	\$33,851.42
Breakeven Price to Cover Variable Costs						\$112.34	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	\$2.60	\$2.60	\$260.17
Implements				1	Acre	\$0.03	\$0.03	\$2.95
Equipment Investment								
Pickup/General Use Equipment				\$9.63	Dollars	8.00%	\$0.77	\$77.00
Tractors/Self-Propelled				\$19.63	Dollars	8.00%	\$1.57	\$157.01
Implements				\$0.31	Dollars	8.00%	\$0.02	\$2.48
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							\$98.21	\$9,820.70
Total Specified Costs							\$472.31	\$47,231.29
Returns Above Specified Costs							\$240.31	\$24,030.71
Breakeven Price to Cover Total Costs						\$141.84	Ton	

Example Breakeven Prices			
Exmpl Yield Percen	Example Yield Ton	To Cover Variable Costs	To Cover Total Costs
75%	2.50	\$149.79	\$189.11
90%	3.00	\$124.83	\$157.60
100%	3.33	\$112.34	\$141.84
110%	3.66	\$102.13	\$128.94
125%	4.16	\$89.88	\$113.47

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.