

Projections for Planning Purposes Only -- *Not to be Used without Updating*
2025 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	\$166.00	\$1,992.00	\$199,200.00	
Total Revenue				\$1,992.00	\$199,200.00	
						Enterprise
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Total	
Production Costs						
Fertilizer						
Fertilizer 22-6-17	1816	Pound	\$0.28	\$508.48	\$50,848.00	
Herbicide						
Prowl H2O	4	Pint	\$6.09	\$24.38	\$2,437.50	
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	\$17.50	\$6.44	\$644.00	
Machinery Labor						
Tractors/Self-Propelled	4.03	Hour	\$17.21	\$69.36	\$6,935.63	
Diesel Fuel						
Tractors/Self-Propelled	18.03	Gallon	\$3.00	\$54.09	\$5,409.00	
Gasoline						
Pickup/General Use Equipment	1	Acre	\$27.18	\$27.18	\$2,717.92	
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	\$25.21	\$25.21	\$2,521.16	
Implements	1	Acre	\$17.84	\$17.84	\$1,783.93	
Interest on Credit Line			8.60%	\$16.82	\$1,681.50	
Total Variable Costs				\$1,311.96	\$131,196.37	
Planned Returns Above Variable Costs:				\$680.04	\$68,003.63	
Breakeven Price to Cover Variable Costs			\$109.33	Ton		
						Enterprise
FIXED COSTS	Quantity	Units	\$/Unit	Total	Total	
Machinery Depreciation						
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	\$24.40	\$24.40	\$2,439.52	
Implements	1	Acre	\$29.46	\$29.46	\$2,945.90	
Equipment Investment						
Pickup/General Use Equipment	\$107.25	Dollars	8.60%	\$9.22	\$922.35	
Irrigation Equipment	\$788.13	Dollars	8.60%	\$67.78	\$6,777.88	
Tractors/Self-Propelled	\$189.81	Dollars	8.60%	\$16.32	\$1,632.36	
Implements	\$229.65	Dollars	8.60%	\$19.75	\$1,975.00	
Irrigated Winter Garden Rent	1	Acre	\$50.00	\$50.00	\$5,000.00	
Total Fixed Costs				\$340.98	\$34,098.26	
Total Specified Costs				\$1,652.95	\$165,294.64	
Returns Above Specified Costs				\$339.05	\$33,905.36	
Breakeven Price to Cover Total Costs			\$137.75	Ton		

Example Breakeven Prices			
Example	Example	To Cover	To Cover
Yield	Yield	Variable	Total
Percent	Ton	Costs	Costs
75%	9.00	\$145.77	\$183.66
90%	10.80	\$121.48	\$153.05
100%	12.00	\$109.33	\$137.75
110%	13.20	\$99.39	\$125.22
125%	15.00	\$87.46	\$110.20

Developed by Extension Agricultural Economists, Texas A&M AgriLife Extension, budgets@tamu.edu.

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.