

Projections for Planning Purposes Only -- Not to be Used without Updating

**2015 Estimated Costs and Returns per Acre
Coastal Bermudagrass Hay, Large Bales - 25 Acres
East Texas Extension District - 5**

Crop Acres		25				
REVENUE		Quantity	Units	\$/Unit	Total	Enterprise Total
Bermuda Hay, Large Bales		3.00	Ton	\$100.00	\$300.00	\$7,500.00
Total Revenue					\$300.00	\$7,500.00
VARIABLE COSTS		Quantity	Units	\$/Unit	Total	Enterprise Total
Production Costs						
Custom						
Custom Round Baling		3	Ton	\$50.00	\$150.00	\$3,750.00
Custom Round Bale Hauling		3	Ton	\$2.00	\$6.00	\$150.00
Fertilizer						
Nitrogen		240	Pound	\$0.61	\$147.31	\$3,682.86
Phosphate		48	Pound	\$0.61	\$29.22	\$730.43
Potash		192	Pound	\$0.38	\$73.60	\$1,840.00
Lime		0.3333333	Ton	\$50.00	\$16.67	\$416.67
Herbicide						
Glyphosphate		32	Ounce	\$0.09	\$3.00	\$75.00
Pasture Herbicide		4	Acre	\$5.00	\$20.00	\$500.00
Machinery Labor						
Tractors/Self-Propelled		0.37	Hour	\$10.00	\$3.70	\$92.50
Diesel Fuel						
Tractors/Self-Propelled		1.21	Gallon	\$3.28	\$3.97	\$99.22
Gasoline						
Pickup/General Use Equipment		1	Acre	\$3.25	\$3.25	\$81.25
Repairs & Maintenance						
Pickup/General Use Equipment		1	Acre	\$1.22	\$1.22	\$30.60
Tractors/Self-Propelled		1	Acre	\$1.40	\$1.40	\$34.95
Implements		1	Acre	\$0.81	\$0.81	\$20.27
Interest on Credit Line				4.75%	\$6.65	\$166.22
Total Variable Costs					\$466.80	\$11,669.98
Planned Returns Above Variable Costs:					(\$166.80)	(\$4,169.98)
Breakeven Price to Cover Variable Costs				\$155.60	Ton	
FIXED COSTS		Quantity	Units	\$/Unit	Total	Enterprise Total
Machinery Depreciation						
Pickup/General Use Equipment		1	Acre	\$1.29	\$1.29	\$32.13
Tractors/Self-Propelled		1	Acre	\$1.16	\$1.16	\$28.90
Implements		1	Acre	\$0.73	\$0.73	\$18.24
Equipment Investment						
Pickup/General Use Equipment		\$15.30	Dollars	5.25%	\$0.80	\$20.08
Tractors/Self-Propelled		\$13.05	Dollars	5.25%	\$0.69	\$17.13
Implements		\$5.68	Dollars	5.25%	\$0.30	\$7.45
Bermuda Pasture Rent		1	Acre	\$20.00	\$20.00	\$500.00
Total Fixed Costs					\$24.96	\$623.92
Total Specified Costs					\$491.76	\$12,293.90
Returns Above Specified Costs					(\$191.76)	(\$4,793.90)
Breakeven Price to Cover Total Costs				\$163.92	Ton	

Example Breakeven Prices

Example Yield Percent	Example Yield Ton	Price Needed to Cover Example Variable Costs		Price Needed to Cover Example Total Costs		
		Own/Rent	ShareTenant	Own/Rent	ShareTenant	Landlord
75%	2.25	\$207.47	\$207.47	\$218.56	\$218.56	\$0.00
90%	2.70	\$172.89	\$172.89	\$182.13	\$182.13	\$0.00
100%	3.00	\$155.60	\$155.60	\$163.92	\$163.92	\$0.00
110%	3.30	\$141.45	\$141.45	\$149.02	\$149.02	\$0.00
125%	3.75	\$124.48	\$124.48	\$131.13	\$131.13	\$0.00

Developed by Gerald Cornforth, Extension Economist; Vanessa Olson, Extension Forage Specialist; and, Jason Banta, Extension Beef Cattle Specialist, Texas A&M AgriLife Extension Service. For more information, contact: Vanessa Olson or Jason Banta at 903-834-6191.

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.