

**Projections for Planning Purposes Only -- Not to be Used without Updating**  
**2018 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	\$7.00	\$1,050.00	\$105,000.00
<b>Total Revenue</b>				<b>\$1,050.00</b>	<b>\$105,000.00</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	\$2.02	\$2.02	\$201.73
Implements	1	Acre	\$1.34	\$1.34	\$133.96
Interest on Credit Line			4.75%	\$9.88	\$987.62
<b>Total Variable Costs</b>				<b>\$737.58</b>	<b>\$73,758.31</b>
Planned Returns Above Variable Costs:				\$312.42	\$31,241.69
Breakeven Price to Cover Variable Costs			\$4.92	Bale	
FIXED COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
Machinery Depreciation					
Tractors/Self-Propelled	1	Acre	\$2.02	\$2.02	\$202.25
Implements	1	Acre	\$1.05	\$1.05	\$105.33
Equipment Investment					
Tractors/Self-Propelled	\$15.76	Dollars	6.00%	\$0.95	\$94.54
Implements	\$10.08	Dollars	6.00%	\$0.60	\$60.48
Rent-Coastal	1	Acre	\$12.00	\$12.00	\$1,200.00
<b>Total Fixed Costs</b>				<b>\$16.63</b>	<b>\$1,662.61</b>
<b>Total Specified Costs</b>				<b>\$754.21</b>	<b>\$75,420.92</b>
Returns Above Specified Costs				\$295.79	\$29,579.08
<b>Breakeven Price to Cover Total Costs</b>			<b>\$5.03</b>	Bale	

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.**