

Projections for Planning Purposes Only -- Not to be Used without Updating
2018 Estimated Costs and Returns per Acre
Hay Establishment, Furrow Irrigated, Rio Grande Valley
South Extension District - 12

Crop Acres	100				Enterprise
REVENUE	Quantity	Units	\$/Unit	Total	Total
Total Revenue				\$0.00	\$0.00
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
Production Costs					
Custom					
Land Prep and Disking	1	Acre	\$50.00	\$50.00	\$5,000.00
Mechanical Weed Control	1	Acre	\$60.00	\$60.00	\$6,000.00
Fertilizer					
Ammonium Sulfate (21% N)	4	CWT	\$18.25	\$73.00	\$7,300.00
Herbicide					
Pendimethalin	3	Pint	\$6.11	\$18.34	\$1,833.64
Other Labor					
Unallocated Labor	0.5	Hour	\$12.00	\$6.00	\$600.00
Seed					
Costal Bermuda Sprigs	1	Acre	\$135.00	\$135.00	\$13,500.00
Irrigation					
Water Cost	2.00	Acre/Foot	\$20.00	\$40.00	\$4,000.00
Irrigation Labor	1.20	Hour	\$12.00	\$14.40	\$1,440.00
Machinery Labor					
Tractors/Self-Propelled	0.37	Hour	\$12.00	\$4.44	\$444.00
Other Labor	0.18	Hour	\$12.00	\$2.16	\$216.00
Diesel Fuel					
Tractors/Self-Propelled	1.73	Gallon	\$2.10	\$3.63	\$363.30
Repairs & Maintenance					
Tractors/Self-Propelled	1	Acre	\$3.52	\$3.52	\$351.83
Implements	1	Acre	\$1.58	\$1.58	\$158.45
Interest on Credit Line			5.00%	\$16.61	\$1,661.37
Total Variable Costs				\$428.69	\$42,868.58
Planned Returns Above Variable Costs:				(\$428.69)	(\$42,868.58)
Breakeven Price to Cover Variable Costs			n/a		
FIXED COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
Machinery Depreciation					
Tractors/Self-Propelled	1	Acre	\$3.64	\$3.64	\$363.56
Implements	1	Acre	\$3.00	\$3.00	\$299.68
Equipment Investment					
Tractors/Self-Propelled	\$28.32	Dollars	7.00%	\$1.98	\$198.26
Implements	\$12.03	Dollars	7.00%	\$0.84	\$84.19
Cash Rent, Irrigated	1	Acre	\$85.00	\$85.00	\$8,500.00
Total Fixed Costs				\$94.46	\$9,445.68
Total Specified Costs				\$523.14	\$52,314.27
Returns Above Specified Costs				(\$523.14)	(\$52,314.27)
Breakeven Price to Cover Total Costs			n/a		

Example Breakeven Prices			
Example Yield Percent	Example Yield	To Cover Variable Costs	To Cover Total Costs
75%	0.00	\$0.00	\$0.00
90%	0.00	\$0.00	\$0.00
100%	0.00	\$0.00	\$0.00
110%	0.00	\$0.00	\$0.00
125%	0.00	\$0.00	\$0.00

Developed by Samuel Zapata, Assistant Professor and Extension Economist, Texas A&M AgriLife Extension, 956-968-5581.

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.