

**2021 Estimated Costs and Returns per Acre
Hay Establishment, Furrow Irrigated, Rio Grande Valley
South Extension District - 12**

Crop Acres		100			
REVENUE	Quantity	Units	\$/Unit	Total	Enterprise Total
Total Revenue				\$0.00	\$0.00
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
Production Costs					
Seed					
Costal Bermuda Sprigs	1	Acre	\$135.00	\$135.00	\$13,500.00
Fertilizer					
Ammonium Sulfate (21% N)	4	CWT	\$19.14	\$76.55	\$7,655.00
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
Herbicide					
Pendimethalin	3	Pint	\$8.25	\$24.75	\$2,475.00
Other Labor					
Unallocated Labor	0.5	Hour	\$12.00	\$6.00	\$600.00
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	\$2.00	\$3.46	\$346.00
Repairs & Maintenance					
Tractors/Self-Propelled	1	Acre	\$3.75	\$3.75	\$374.53
Implements	1	Acre	\$1.61	\$1.61	\$161.31
Interest on Credit Line			5.00%	\$17.05	\$1,705.28
Total Variable Costs				<u>\$439.17</u>	<u>\$43,917.12</u>
Planned Returns Above Variable Costs:					
Breakeven Price to Cover Variable Costs			n/a	(\$439.17)	(\$43,917.12)
FIXED COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
Machinery Depreciation					
Tractors/Self-Propelled	1	Acre	\$3.87	\$3.87	\$387.01
Implements	1	Acre	\$3.02	\$3.02	\$302.26
Equipment Investment					
Tractors/Self-Propelled	\$30.15	Dollars	7.00%	\$2.11	\$211.05
Implements	\$12.14	Dollars	7.00%	\$0.85	\$84.96
Cash Rent, Irrigated	1	Acre	\$85.00	\$85.00	\$8,500.00
Total Fixed Costs				<u>\$94.85</u>	<u>\$9,485.28</u>
Total Specified Costs				<u>\$534.02</u>	<u>\$53,402.40</u>
Returns Above Specified Costs				(\$534.02)	(\$53,402.40)
Breakeven Price to Cover Total Costs			n/a		

Developed by Samuel Zapata, Assistant Professor and Extension Economist, Texas A&M AgriLife Extension, 956-968-5587

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.

