

Projections for Planning Purposes Only -- *Not to be Used without Updating*
2025 Estimated Costs and Returns per Acre
Hay Production, Furrow Irrigated, Rio Grande Valley
South Extension District - 12

Crop Acres	100					Enterprise
REVENUE	Quantity	Units	\$/Unit	Total	Total	
Bermuda Hay	36.00	Bale (950 lb)	\$100.00	\$3,600.00	\$360,000.00	
Total Revenue				\$3,600.00	\$360,000.00	
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Enterprise	
Production Costs					Total	
Fertilizer						
Ammonium Sulfate (21% N)	21.43	CWT	\$24.00	\$514.32	\$51,432.00	
Custom						
Hay Harvest	36	Bale	\$25.00	\$900.00	\$90,000.00	
Herbicide						
Pendimethalin	3	Pint	\$7.00	\$20.99	\$2,099.25	
Other Labor						
Unallocated Labor	1	Hour	\$15.00	\$15.00	\$1,500.00	
Irrigation						
Water Cost	3.00	Acre/Foot	\$22.67	\$68.00	\$6,800.00	
Irrigation Labor	2.10	Hour	\$17.50	\$36.75	\$3,675.00	
Machinery Labor						
Tractors/Self-Propelled	1.32	Hour	\$17.21	\$22.72	\$2,271.72	
Other Labor	0.43	Hour	\$17.21	\$7.40	\$740.03	
Diesel Fuel						
Tractors/Self-Propelled	7.62	Gallon	\$3.60	\$27.43	\$2,743.20	
Repairs & Maintenance						
Tractors/Self-Propelled	1	Acre	\$16.55	\$16.55	\$1,655.37	
Implements	1	Acre	\$9.96	\$9.96	\$996.25	
Interest on Credit Line			8.50%	\$51.67	\$5,167.46	
Total Variable Costs				\$1,690.80	\$169,080.28	
Planned Returns Above Variable Costs:				\$1,909.20	\$190,919.72	
Breakeven Price to Cover Variable Costs			\$46.97	Bale (950 lb)		
FIXED COSTS	Quantity	Units	\$/Unit	Total	Enterprise	
Machinery Depreciation						
Tractors/Self-Propelled	1	Acre	\$18.15	\$18.15	\$1,814.72	
Implements	1	Acre	\$15.39	\$15.39	\$1,538.83	
Equipment Investment						
Tractors/Self-Propelled	\$140.89	Dollars	8.50%	\$11.98	\$1,197.55	
Implements	\$64.91	Dollars	8.50%	\$5.52	\$551.71	
Cash Rent, Irrigated	1	Acre	\$95.00	\$95.00	\$9,500.00	
Total Fixed Costs				\$146.03	\$14,602.81	
Total Specified Costs				\$1,836.83	\$183,683.09	
Returns Above Specified Costs				\$1,763.17	\$176,316.91	
Breakeven Price to Cover Total Costs			\$51.02	Bale (950 lb)		

Example Breakeven Prices			
Example Yield Percent	Example Yield Bale (950 lb)	To Cover Variable Costs	To Cover Total Costs
75%	27.00	\$62.62	\$68.03
90%	32.40	\$52.19	\$56.69
100%	36.00	\$46.97	\$51.02
110%	39.60	\$42.70	\$46.38
125%	45.00	\$37.57	\$40.82

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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.