

Projections for Planning Purposes Only -- Not to be Used without Updating
2014 Estimated Costs and Returns per Acre
Alfalfa, Full Season, Baled - 7.5 Ton Goal, Flood Irrigated, El Paso Irrigation District - 122 Acres
Far West Extension District - 6

Crop Acres		122				Enterprise
REVENUE	Quantity	Units	\$/Unit	Total	Total	Total
Alfalfa Hay - 3X4	7.50	Ton	\$240.00	\$1,800.00	\$219,600.00	\$219,600.00
Total Revenue				\$1,800.00	\$219,600.00	\$219,600.00
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Total	Enterprise
Production Costs						
Fertilizer						
Fertilizer 11-52-0	73	Pound	\$0.26	\$18.98	\$2,315.56	
Herbicide						
Trifluralin	2	Pint	\$3.25	\$6.50	\$793.00	
Pursuit	1	Ounce	\$2.65	\$2.65	\$323.30	
Crop Oil Concentrate	1	Pint	\$2.50	\$2.50	\$305.00	
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Insecticide						
Warrior Z	3.84	Ounce	\$1.36	\$5.22	\$637.13	
Warrior Z	3.2	Ounce	\$1.36	\$4.35	\$530.94	
Intrepid	2.31	Ounce	\$1.67	\$3.86	\$470.64	
Custom						
Soil Test	0.5	Each	\$5.00	\$2.50	\$305.00	
Custom Apply Fertilizer	1	Acre	\$4.00	\$4.00	\$488.00	
Irrigation						
Energy or Water Cost	48.00	AcreInch	\$1.75	\$84.00	\$10,248.00	
Machinery Labor						
Tractors/Self-Propelled	4.42	Hour	\$12.00	\$53.04	\$6,470.88	
Diesel Fuel						
Tractors/Self-Propelled	30.02	Gallon	\$2.85	\$85.56	\$10,437.95	
Gasoline						
Pickup/General Use Equipment	1	Acre	\$7.88	\$7.88	\$961.38	
Repairs & Maintenance						
Pickup/General Use Equipment	1	Acre	\$1.61	\$1.61	\$196.20	
Tractors/Self-Propelled	1	Acre	\$12.37	\$12.37	\$1,508.84	
Implements	1	Acre	\$0.99	\$0.99	\$120.66	
Interest on Credit Line			6.50%	\$6.10	\$744.66	
Total Variable Costs				\$322.71	\$39,370.36	
Planned Returns Above Variable Costs:				\$1,477.29	\$180,229.64	
Breakeven Price to Cover Variable Costs			\$43.03	Ton		
FIXED COSTS	Quantity	Units	\$/Unit	Total	Total	Enterprise
Machinery Depreciation						
Pickup/General Use Equipment	1	Acre	\$6.03	\$6.03	\$735.75	
Tractors/Self-Propelled	1	Acre	\$37.73	\$37.73	\$4,603.24	
Implements	1	Acre	\$3.41	\$3.41	\$415.43	
Equipment Investment						
Pickup/General Use Equipment	\$40.20	Dollars	6.50%	\$2.61	\$318.83	
Tractors/Self-Propelled	\$539.60	Dollars	6.50%	\$35.07	\$4,279.05	
Implements	\$51.95	Dollars	6.50%	\$3.38	\$411.99	
Allocated Establishment Cost	1	Acre	\$105.02	\$105.02	\$12,812.44	
Trans Pecos Irrigated Land	1	Acre	\$40.00	\$40.00	\$4,880.00	
Total Fixed Costs				\$233.25	\$28,456.73	
Total Specified Costs				\$555.96	\$67,827.08	
Returns Above Specified Costs				\$1,244.04	\$151,772.92	
Breakeven Price to Cover Total Costs			\$74.13	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	Share/Tenant	Own/Rent	Share/Tenant	Landlord
75%	5.63	\$57.37	\$57.37	\$98.84	\$98.84	\$0.00
90%	6.75	\$47.81	\$47.81	\$82.36	\$82.36	\$0.00
100%	7.50	\$43.03	\$43.03	\$74.13	\$74.13	\$0.00
110%	8.25	\$39.12	\$39.12	\$67.39	\$67.39	\$0.00
125%	9.38	\$34.42	\$34.42	\$59.30	\$59.30	\$0.00

Developed by Rob Hogan, Associate Professor and Extension Economist, Texas A&M AgriLife Extension.

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.