

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 - 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	\$1,800.00	\$219,600.00
Total Revenue				\$1,800.00		\$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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Pursuit	1	Ounce	\$2.65	\$2.65		\$323.30
Crop Oil Concentrate	1	Pint	\$2.50	\$2.50		\$305.00
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	40.77	Mcf	\$4.25	\$173.26		\$21,137.17
Irrigation Labor	0.91	Hour	\$11.00	\$9.96		\$1,214.64
Machinery						
Labor	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
Irrigation Equipment	1	Acre	\$18.98	\$18.98		\$2,315.56
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%	\$8.24		\$1,005.87
Total Variable Costs				\$443.04		\$54,050.94
Planned Returns Above Variable Costs:				\$1,356.96		\$165,549.06
Breakeven Price to Cover Variable Costs			\$59.07	Ton		
FIXED COSTS	Quantity	Units	\$/Unit	Total	Total	Enterprise
Machinery Depreciation						
Pickup/General Use Equipment	1	Acre	\$6.03	\$6.03		\$735.75
Irrigation Equipment	1	Acre	\$24.82	\$24.82		\$3,028.33
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
Irrigation Equipment	\$372.34	Dollars	6.50%	\$24.20		\$2,952.63
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				\$282.28		\$34,437.68
Total Specified Costs				\$725.32		\$88,488.62
Returns Above Specified Costs				\$1,074.68		\$131,111.38
Breakeven Price to Cover Total Costs			\$96.71	Ton		

Example Breakeven Prices						
Example	Example Yield	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	\$78.76	\$78.76	\$128.95	\$128.95	\$0.00
90%	6.75	\$65.64	\$65.64	\$107.45	\$107.45	\$0.00
100%	7.50	\$59.07	\$59.07	\$96.71	\$96.71	\$0.00
110%	8.25	\$53.70	\$53.70	\$87.92	\$87.92	\$0.00
125%	9.38	\$47.26	\$47.26	\$77.37	\$77.37	\$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.