

Projections for Planning Purposes Only -- Not to be Used without Updating
2017 Estimated Costs and Returns per Acre
Alfalfa, Full Season, Baled - 7.5 Ton Goal, Center Pivot Irrigated - 122 Acres
Far West Extension District - 6

Crop Acres		122				
		Quantity	Units	\$/Unit	Total	Enterprise Total
REVENUE						
Alfalfa Hay - 3X4		7.50	Ton	\$178.00	\$1,335.00	\$162,870.00
Total Revenue					\$1,335.00	\$162,870.00
VARIABLE COSTS						
Production Costs						
Custom						
Soil Test		0.5	Each	\$5.00	\$2.50	\$305.00
Custom Apply Fertilizer		1	Acre	\$4.00	\$4.00	\$488.00
Fertilizer						
Fertilizer 11-52-0		73	Pound	\$0.22	\$16.06	\$1,959.32
Herbicide						
Trifluralin		2	Pint	\$3.13	\$6.25	\$762.50
Pursuit		5	Ounce	\$3.35	\$16.73	\$2,040.64
Crop Oil Concentrate		5	Pint	\$1.98	\$9.90	\$1,207.80
Insecticide						
Warrior Z		7.04	Ounce	\$1.36	\$9.57	\$1,168.08
Intrepid		2.31	Ounce	\$1.98	\$4.57	\$558.14
Irrigation						
Energy Cost		50.22	Mcf	\$4.00	\$200.88	\$24,507.36
Irrigation Labor		0.29	Hour	\$12.00	\$3.47	\$422.80
Machinery Labor						
Tractors/Self-Propelled		7.84	Hour	\$12.00	\$94.08	\$11,477.76
Diesel Fuel						
Tractors/Self-Propelled		34.59	Gallon	\$1.83	\$63.30	\$7,722.56
Gasoline						
Pickup/General Use Equipment		1	Acre	\$6.72	\$6.72	\$820.12
Repairs & Maintenance						
Pickup/General Use Equipment		1	Acre	\$1.61	\$1.61	\$196.20
Irrigation Equipment		1	Acre	\$132.34	\$132.34	\$16,146.06
Tractors/Self-Propelled		1	Acre	\$60.25	\$60.25	\$7,350.92
Implements		1	Acre	\$2.63	\$2.63	\$320.47
Interest on Credit Line				6.50%	\$12.18	\$1,485.65
Total Variable Costs					\$647.04	\$78,939.38
Planned Returns Above Variable Costs:					\$687.96	\$83,930.62
Breakeven Price to Cover Variable Costs				\$86.27	Ton	
FIXED COSTS						
Machinery Depreciation						
Pickup/General Use Equipment		1	Acre	\$6.03	\$6.03	\$735.75
Irrigation Equipment		1	Acre	\$45.01	\$45.01	\$5,491.76
Tractors/Self-Propelled		1	Acre	\$78.35	\$78.35	\$9,558.23
Implements		1	Acre	\$6.40	\$6.40	\$781.18
Equipment Investment						
Pickup/General Use Equipment	\$25.13	Dollars		6.50%	\$1.63	\$199.27
Irrigation Equipment	\$337.61	Dollars		6.50%	\$21.94	\$2,677.23
Tractors/Self-Propelled	\$587.53	Dollars		6.50%	\$38.19	\$4,659.14
Implements	\$46.79	Dollars		6.50%	\$3.04	\$371.03
Allocated Establishment Cost						
Trans Pecos Irrigated Land		1	Acre	\$120.04	\$120.04	\$14,644.88
		1	Acre	\$40.00	\$40.00	\$4,880.00
Total Fixed Costs					\$360.64	\$43,998.48
Total Specified Costs					\$1,007.69	\$122,937.85
Returns Above Specified Costs					\$327.31	\$39,932.15
Breakeven Price to Cover Total Costs				\$134.36	Ton	

Example Breakeven Prices			
Example Yield Percent	Example Yield Ton	To Cover Variable Costs	To Cover Total Costs
75%	5.63	\$115.03	\$179.14
90%	6.75	\$95.86	\$149.29
100%	7.50	\$86.27	\$134.36
110%	8.25	\$78.43	\$122.14
125%	9.38	\$69.02	\$107.49

Developed by Rob Hogan, Associate Professor and Extension Economist, Texas A&M AgriLife Extension, 830-278-9151.

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.