

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, Dell City - 122 Acres
Far West Extension District - 6

Crop Acres		122					
					Enterprise		
REVENUE	Quantity	Units	\$/Unit	Total	Total		
Alfalfa Hay - 3X4	7.50	Ton	\$178.00	\$1,335.00	\$162,870.00		
Total Revenue				\$1,335.00	\$162,870.00		
VARIABLE COSTS			Quantity	Units	\$/Unit	Total	Enterprise
Production Costs						Total	Total
Custom							
Custom Apply Fertilizer	1	Acre	\$4.00	\$4.00		\$488.00	
Soil Test	0.5	Each	\$5.00	\$2.50		\$305.00	
Fertilizer							
Fertilizer 11-52-0	73	Pound	\$0.22	\$16.06		\$1,959.32	
Herbicide							
Crop Oil Concentrate	5	Pint	\$1.98	\$9.90		\$1,207.80	
Trifluralin	2	Pint	\$3.13	\$6.25		\$762.50	
Pursuit	5	Ounce	\$3.35	\$16.73		\$2,040.64	
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	25.71	Mcf	\$4.00	\$102.84		\$12,546.48	
Irrigation Labor	0.10	Hour	\$12.00	\$1.15		\$139.81	
Machinery Labor							
Tractors/Self-Propelled	7.82	Hour	\$12.00	\$93.84		\$11,448.48	
Diesel Fuel							
Tractors/Self-Propelled	34.39	Gallon	\$1.83	\$62.93		\$7,677.91	
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	\$43.80	\$43.80		\$5,343.23	
Tractors/Self-Propelled	1	Acre	\$60.00	\$60.00		\$7,319.47	
Implements	1	Acre	\$2.63	\$2.63		\$320.47	
Interest on Credit Line			6.50%	\$8.26		\$1,007.86	
Total Variable Costs				\$453.36		\$55,309.51	
Planned Returns Above Variable Costs:				\$881.64		\$107,560.49	
Breakeven Price to Cover Variable Costs			\$60.45	Ton			
FIXED COSTS			Quantity	Units	\$/Unit	Total	Enterprise
Machinery Depreciation						Total	Total
Pickup/General Use Equipment	1	Acre	\$6.03	\$6.03		\$735.75	
Irrigation Equipment	1	Acre	\$57.32	\$57.32		\$6,993.62	
Tractors/Self-Propelled	1	Acre	\$77.14	\$77.14		\$9,411.48	
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	\$429.94	Dollars	6.50%	\$27.95		\$3,409.39	
Tractors/Self-Propelled	\$578.60	Dollars	6.50%	\$37.61		\$4,588.28	
Implements	\$46.79	Dollars	6.50%	\$3.04		\$371.03	
Allocated Establishment Cost	1	Acre	\$120.04	\$120.04		\$14,644.88	
Trans Pecos Irrigated Land	1	Acre	\$40.00	\$40.00		\$4,880.00	
Total Fixed Costs				\$377.17		\$46,014.89	
Total Specified Costs				\$830.53		\$101,324.40	
Returns Above Specified Costs				\$504.47		\$61,545.60	
Breakeven Price to Cover Total Costs			\$110.74	Ton			

Example Breakeven Prices			
Example Yield Percent	Example Yield Ton	To Cover Variable Costs	To Cover Total Costs
75%	5.63	\$80.60	\$147.65
90%	6.75	\$67.16	\$123.04
100%	7.50	\$60.45	\$110.74
110%	8.25	\$54.95	\$100.67
125%	9.38	\$48.36	\$88.59

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.