

Projections for Planning Purposes Only -- Not to be Used without Updating
2018 Estimated Costs and Returns per Acre
Alfalfa, Full Season, Baled - 7.5 Ton Goal, Center Pivot Irrigated
Far West Extension District - 6

Crop Acres		122				Enterprise
REVENUE	Quantity	Units	\$/Unit	Total	Total	Total
Alfalfa Hay - 3X4	7.50	Ton	\$200.00	\$1,500.00	\$183,000.00	\$183,000.00
Total Revenue				\$1,500.00	\$183,000.00	\$183,000.00
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Total	Enterprise
Production Costs						
Fertilizer						
Fertilizer 11-52-0	73	Pound	\$0.25	\$18.25	\$2,226.50	
Custom						
Soil Test	0.5	Each	\$5.00	\$2.50	\$305.00	
Custom Apply Fertilizer	1	Acre	\$4.00	\$4.00	\$488.00	
Herbicide						
Trifluralin	2	Pint	\$2.94	\$5.88	\$717.36	
Pursuit	5	Ounce	\$3.35	\$16.73	\$2,040.64	
Crop Oil Concentrate	5	Pint	\$2.53	\$12.65	\$1,543.30	
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	\$11.00	\$3.18	\$387.57	
Machinery Labor						
Tractors/Self-Propelled	7.84	Hour	\$12.00	\$94.08	\$11,477.76	
Diesel Fuel						
Tractors/Self-Propelled	35.92	Gallon	\$2.14	\$76.87	\$9,377.99	
Gasoline						
Pickup/General Use Equipment	1	Acre	\$7.69	\$7.69	\$937.84	
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	\$60.45	\$60.45	\$7,375.20	
Implements	1	Acre	\$2.69	\$2.69	\$327.92	
Interest on Credit Line			6.50%	\$14.16	\$1,726.94	
Total Variable Costs				\$668.10	\$81,507.86	
Planned Returns Above Variable Costs:				\$831.90	\$101,492.14	
Breakeven Price to Cover Variable Costs			\$89.08	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	\$45.01	\$45.01	\$5,491.76	
Tractors/Self-Propelled	1	Acre	\$77.80	\$77.80	\$9,492.13	
Implements	1	Acre	\$6.54	\$6.54	\$797.88	
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	\$583.55	Dollars	6.50%	\$37.93	\$4,627.56	
Implements	\$47.62	Dollars	6.50%	\$3.10	\$377.61	
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				\$360.03	\$43,924.06	
Total Specified Costs				\$1,028.13	\$125,431.92	
Returns Above Specified Costs				\$471.87	\$57,568.08	
Breakeven Price to Cover Total Costs			\$137.08	Ton		

Example Breakeven Prices			
Example Yield Percent	Example Yield Ton	To Cover Variable Costs	To Cover Total Costs
75%	5.63	\$118.77	\$182.78
90%	6.75	\$98.98	\$152.32
100%	7.50	\$89.08	\$137.08
110%	8.25	\$80.98	\$124.62
125%	9.38	\$71.26	\$109.67

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.