

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, Dell City
Far West Extension District - 6

Crop Acres		122		Enterprise	
REVENUE	Quantity	Units	\$/Unit	Total	Total
Alfalfa Hay - 3X4	7.50	Ton	\$200.00	\$1,500.00	\$183,000.00
Total Revenue				\$1,500.00	\$183,000.00
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Total
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	\$0.25	\$18.25	\$2,226.50
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	25.71	Mcf	\$4.00	\$102.84	\$12,546.48
Irrigation Labor	0.10	Hour	\$11.00	\$1.05	\$128.16
Machinery Labor					
Tractors/Self-Propelled	7.82	Hour	\$12.00	\$93.84	\$11,448.48
Diesel Fuel					
Tractors/Self-Propelled	35.69	Gallon	\$2.14	\$76.38	\$9,317.95
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	\$43.80	\$43.80	\$5,343.23
Tractors/Self-Propelled	1	Acre	\$60.22	\$60.22	\$7,347.01
Implements	1	Acre	\$2.69	\$2.69	\$327.92
Interest on Credit Line			6.50%	\$10.23	\$1,247.66
Total Variable Costs				\$474.49	\$57,887.93
Planned Returns Above Variable Costs:				\$1,025.51	\$125,112.07
Breakeven Price to Cover Variable Costs			\$63.27	Ton	
FIXED COSTS	Quantity	Units	\$/Unit	Total	Total
Machinery Depreciation					
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	\$76.73	\$76.73	\$9,360.55
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	\$429.94	Dollars	6.50%	\$27.95	\$3,409.39
Tractors/Self-Propelled	\$575.54	Dollars	6.50%	\$37.41	\$4,564.03
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				\$376.75	\$45,962.97
Total Specified Costs				\$851.24	\$103,850.90
Returns Above Specified Costs				\$648.76	\$79,149.10
Breakeven Price to Cover Total Costs			\$113.50	Ton	

Example Breakeven Prices			
Example Yield Percent	Example Yield Ton	To Cover Variable Costs	To Cover Total Costs
75%	5.63	\$84.35	\$151.33
90%	6.75	\$70.30	\$126.11
100%	7.50	\$63.27	\$113.50
110%	8.25	\$57.51	\$103.18
125%	9.38	\$50.61	\$90.80

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.