

Projections for Planning Purposes Only -- Not to be Used without Updating
2019 Estimated Costs and Returns per Acre
Alfalfa, Full Season, Baled - 7.5 Ton Goal, Flood Irrigated
Far West Extension District - 6

Crop Acres		122				Enterprise
REVENUE	Quantity	Units	\$/Unit	Total	Total	Total
Alfalfa Hay - 3X4	7.50	Ton	\$277.00	\$2,077.50	\$253,455.00	\$253,455.00
Total Revenue				\$2,077.50	\$253,455.00	\$253,455.00
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Total	Enterprise
Production Costs						
Custom						
Soil Test	0.5	Each	\$5.00	\$2.50	\$305.00	\$305.00
Custom Apply Fertilizer	1	Acre	\$4.00	\$4.00	\$488.00	\$488.00
Fertilizer						
Fertilizer 11-52-0	73	Pound	\$0.29	\$20.81	\$2,538.21	\$2,538.21
Herbicide						
Trifluralin	2	Pint	\$2.81	\$5.63	\$686.25	\$686.25
Pursuit	5	Ounce	\$3.35	\$16.73	\$2,040.64	\$2,040.64
Crop Oil Concentrate	5	Pint	\$1.98	\$9.90	\$1,207.80	\$1,207.80
Insecticide						
Warrior Z	7.04	Ounce	\$1.36	\$9.57	\$1,168.08	\$1,168.08
Intrepid	2.31	Ounce	\$1.98	\$4.57	\$558.14	\$558.14
Irrigation						
Energy Cost	40.76	Mcf	\$4.00	\$163.04	\$19,890.88	\$19,890.88
Irrigation Labor	0.91	Hour	\$11.00	\$9.96	\$1,214.51	\$1,214.51
Machinery Labor						
Tractors/Self-Propelled	7.82	Hour	\$12.00	\$93.84	\$11,448.48	\$11,448.48
Diesel Fuel						
Tractors/Self-Propelled	35.69	Gallon	\$2.99	\$106.71	\$13,019.00	\$13,019.00
Gasoline						
Pickup/General Use Equipment	1	Acre	\$9.30	\$9.30	\$1,134.04	\$1,134.04
Repairs & Maintenance						
Pickup/General Use Equipment	1	Acre	\$1.61	\$1.61	\$196.20	\$196.20
Irrigation Equipment	1	Acre	\$18.98	\$18.98	\$2,315.30	\$2,315.30
Tractors/Self-Propelled	1	Acre	\$59.56	\$59.56	\$7,266.69	\$7,266.69
Implements	1	Acre	\$2.80	\$2.80	\$341.64	\$341.64
Interest on Credit Line			6.50%	\$11.69	\$1,426.16	\$1,426.16
Total Variable Costs				\$551.19	\$67,245.01	\$67,245.01
Planned Returns Above Variable Costs:				\$1,526.31	\$186,209.99	\$186,209.99
Breakeven Price to Cover Variable Costs			\$73.49	Ton		
FIXED COSTS	Quantity	Units	\$/Unit	Total	Total	Enterprise
Machinery Depreciation						
Pickup/General Use Equipment	1	Acre	\$6.03	\$6.03	\$735.75	\$735.75
Irrigation Equipment	1	Acre	\$24.82	\$24.82	\$3,028.33	\$3,028.33
Tractors/Self-Propelled	1	Acre	\$76.23	\$76.23	\$9,299.55	\$9,299.55
Implements	1	Acre	\$6.81	\$6.81	\$830.26	\$830.26
Equipment Investment						
Pickup/General Use Equipment	\$25.13	Dollars	6.50%	\$1.63	\$199.27	\$199.27
Irrigation Equipment	\$186.17	Dollars	6.50%	\$12.10	\$1,476.31	\$1,476.31
Tractors/Self-Propelled	\$571.86	Dollars	6.50%	\$37.17	\$4,534.82	\$4,534.82
Implements	\$49.42	Dollars	6.50%	\$3.21	\$391.91	\$391.91
Allocated Establishment Cost	1	Acre	\$104.83	\$104.83	\$12,789.26	\$12,789.26
Trans Pecos Irrigated Land	1	Acre	\$40.00	\$40.00	\$4,880.00	\$4,880.00
Total Fixed Costs				\$312.83	\$38,165.45	\$38,165.45
Total Specified Costs				\$864.02	\$105,410.47	\$105,410.47
Returns Above Specified Costs				\$1,213.48	\$148,044.53	\$148,044.53
Breakeven Price to Cover Total Costs			\$115.20	Ton		

Example Breakeven Prices			
Example	Example	To Cover	To Cover
Yield	Yield	Variable	Total
Percent	Ton	Costs	Costs
75%	5.63	\$97.99	\$153.60
90%	6.75	\$81.66	\$128.00
100%	7.50	\$73.49	\$115.20
110%	8.25	\$66.81	\$104.73
125%	9.38	\$58.79	\$92.16

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.