

Projections for Planning Purposes Only -- Not to be Used without Updating
2017 Estimated Costs and Returns per Acre
Alfalfa, RoundUp Ready, Full Season, Baled - 6.5 ton, Center Pivot Irrigated - 122 Acres
West Central Extension District - 7

Crop Acres		122			
REVENUE	Quantity	Units	\$/Unit	Total	Enterprise Total
Alfalfa Hay - Baled 3X4	6.50	Ton	\$180.00	\$1,170.00	\$142,740.00
Total Revenue				\$1,170.00	\$142,740.00
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
Production Costs					
Custom					
Soil Test-Irrigated	1	Each	\$0.50	\$0.50	\$61.00
Apply Dry Fertilizer	1	Acre	\$5.50	\$5.50	\$671.00
Swath, Rake and Bale	9.24	Bale	\$27.57	\$254.75	\$31,079.11
Fertilizer					
11-52-0	73	Pounds	\$0.26	\$18.98	\$2,315.56
Herbicide					
Trifluralin	2	Pint	\$2.94	\$5.88	\$716.75
Glyphosate	110	Ounce	\$0.07	\$7.70	\$939.40
Insecticide					
Mustang Max(Warrior Z)	7.04	Ounce	\$1.25	\$8.80	\$1,073.60
Intrepid	2.3	Ounce	\$1.98	\$4.56	\$555.72
Irrigation					
Energy Cost	36.00	AcreInch	\$6.98	\$251.26	\$30,654.08
Irrigation Labor	0.80	Hour	\$12.00	\$9.60	\$1,171.20
Machinery Labor					
Tractors/Self-Propelled	2.95	Hour	\$12.00	\$35.40	\$4,318.80
Diesel Fuel					
Tractors/Self-Propelled	22.67	Gallon	\$1.75	\$39.67	\$4,840.05
Gasoline					
Pickup/General Use Equipment	1	Acre	\$5.34	\$5.34	\$651.60
Repairs & Maintenance					
Pickup/General Use Equipment	1	Acre	\$2.69	\$2.69	\$328.50
Irrigation Equipment	1	Acre	\$94.87	\$94.87	\$11,574.24
Tractors/Self-Propelled	1	Acre	\$47.94	\$47.94	\$5,848.24
Implements	1	Acre	\$0.38	\$0.38	\$46.21
Interest on Credit Line			5.25%	\$10.76	\$1,312.56
Total Variable Costs				\$804.57	\$98,157.61
Planned Returns Above Variable Costs:				\$365.43	\$44,582.39
Breakeven Price to Cover Variable Costs			\$123.78	Ton	
FIXED COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
Machinery Depreciation					
Pickup/General Use Equipment	1	Acre	\$5.71	\$5.71	\$696.60
Irrigation Equipment	1	Acre	\$60.11	\$60.11	\$7,333.33
Tractors/Self-Propelled	1	Acre	\$57.34	\$57.34	\$6,994.92
Implements	1	Acre	\$0.85	\$0.85	\$103.97
Equipment Investment					
Pickup/General Use Equipment	\$31.65	Dollars	5.25%	\$1.66	\$202.70
Irrigation Equipment	\$450.82	Dollars	5.25%	\$23.67	\$2,887.50
Tractors/Self-Propelled	\$443.04	Dollars	5.25%	\$23.26	\$2,837.65
Implements	\$5.21	Dollars	5.25%	\$0.27	\$33.36
Allocated Establishment Cost	1	Acre	\$93.37	\$93.37	\$11,391.14
Rent-Irrigated Crop	1	Acre	\$70.00	\$70.00	\$8,540.00
Total Fixed Costs				\$336.24	\$41,021.17
Total Specified Costs				\$1,140.81	\$139,178.78
Returns Above Specified Costs				\$29.19	\$3,561.22
Breakeven Price to Cover Total Costs			\$175.51	Ton	

Example Breakeven Prices			
Example Yield Percent	Example Yield Ton	To Cover Variable Costs	To Cover Total Costs
75%	4.88	\$165.04	\$234.01
90%	5.85	\$137.53	\$195.01
100%	6.50	\$123.78	\$175.51
110%	7.15	\$112.53	\$159.55
125%	8.13	\$99.02	\$140.41

Developed by Bill Thompson, Associate Professor and Extension Economist, Texas A&M AgriLife Extension Service, 325-653-4576.

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.