

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, Flood Irrigated, Dell City
Far West Extension District - 6

Crop Acres		122				
		Quantity	Units	\$/Unit	Total	Enterprise Total
REVENUE						
Alfalfa Hay - 3X4		7.50	Ton	\$200.00	\$1,500.00	\$183,000.00
Total Revenue					\$1,500.00	\$183,000.00
VARIABLE COSTS						
Production Costs						
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	\$0.25	\$18.25	\$2,226.50
Herbicide						
Crop Oil Concentrate		5	Pint	\$2.53	\$12.65	\$1,543.30
Trifluralin		2	Pint	\$2.94	\$5.88	\$717.36
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		21.52	Mcf	\$4.00	\$86.08	\$10,501.76
Irrigation Labor		0.30	Hour	\$11.00	\$3.29	\$400.99
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	\$28.48	\$28.48	\$3,474.24
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%	\$9.70	\$1,183.03
Total Variable Costs					\$444.12	\$54,182.42
Planned Returns Above Variable Costs:					\$1,055.88	\$128,817.58
Breakeven Price to Cover Variable Costs				\$59.22	Ton	
FIXED COSTS						
Machinery Depreciation						
Pickup/General Use Equipment		1	Acre	\$6.03	\$6.03	\$735.75
Irrigation Equipment		1	Acre	\$37.28	\$37.28	\$4,548.34
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		\$279.61	Dollars	6.50%	\$18.17	\$2,217.31
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	\$104.83	\$104.83	\$12,789.26
Trans Pecos Irrigated Land		1	Acre	\$40.00	\$40.00	\$4,880.00
Total Fixed Costs					\$331.72	\$40,469.98
Total Specified Costs					\$775.84	\$94,652.41
Returns Above Specified Costs					\$724.16	\$88,347.59
Breakeven Price to Cover Total Costs				\$103.45	Ton	

Example Breakeven Prices			
Exampk Yield Percent	Example Yield Ton	To Cover Variable Costs	To Cover Total Costs
75%	5.63	\$78.95	\$137.93
90%	6.75	\$65.80	\$114.94
100%	7.50	\$59.22	\$103.45
110%	8.25	\$53.83	\$94.04
125%	9.38	\$47.37	\$82.76

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.