

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
Far West Extension District - 6

Crop Acres	Your Acres		Units	\$/Unit	\$/Unit	Total	Your Total	Enterprise Total
	Quantity	Quantity						
122								
REVENUE	Quantity	Quantity	Units	\$/Unit	\$/Unit	Total	Total	Enterprise 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	Quantity	Units	\$/Unit	\$/Unit	Total	Total	Enterprise Total
Production Costs								
Custom								
Soil Test	0.5		Each	\$5.00		\$2.50		\$305.00
Custom Apply Fertilizer	1		Acres	\$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	40.76		Mcf	\$4.00		\$163.04		\$19,890.88
Irrigation Labor	0.91		Hour	\$11.00		\$9.96		\$1,214.51
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		Acres	\$7.69		\$7.69		\$937.84
Repairs & Maintenance								
Pickup/General Use Equipment	1		Acres	\$1.61		\$1.61		\$196.20
Irrigation Equipment	1		Acres	\$18.98		\$18.98		\$2,315.30
Tractors/Self-Propelled	1		Acres	\$60.22		\$60.22		\$7,347.01
Implements	1		Acres	\$2.69		\$2.69		\$327.92
Interest on Credit Line				6.50%		\$11.09		\$1,352.69
Total Variable Costs						\$519.64		\$63,395.78
Planned Returns Above Variable Costs:						\$980.36		\$119,604.22
Breakeven Price to Cover Variable Costs				\$69.29	n/a	Ton		
FIXED COSTS	Quantity	Quantity	Units	\$/Unit	\$/Unit	Total	Total	Enterprise Total
Machinery Depreciation								
Pickup/General Use Equipment	1		Acres	\$6.03		\$6.03		\$735.75
Irrigation Equipment	1		Acres	\$24.82		\$24.82		\$3,028.33
Tractors/Self-Propelled	1		Acres	\$76.73		\$76.73		\$9,360.55
Implements	1		Acres	\$6.54		\$6.54		\$797.88
Equipment Investment								
Pickup/General Use Equipment	\$25.13		Dollars	6.50%		\$1.63		\$199.27
Irrigation Equipment	\$186.17		Dollars	6.50%		\$12.10		\$1,476.31
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		Acres	\$104.83		\$104.83		\$12,789.26
Trans Pecos Irrigated Land	1		Acres	\$40.00		\$40.00		\$4,880.00
Total Fixed Costs						\$313.19		\$38,208.98
Total Specified Costs						\$832.83		\$101,604.76
Returns Above Specified Costs						\$667.17		\$81,395.24
Breakeven Price to Cover Total Costs				\$111.04	n/a	Ton		

Example Breakeven Prices			
Example Yield Percent	Example Yield Ton	To Cover Variable Costs	To Cover Total Costs
75%	5.63	\$92.38	\$148.06
90%	6.75	\$76.98	\$123.38
100%	7.50	\$69.29	\$111.04
110%	8.25	\$62.99	\$100.95
125%	9.38	\$55.43	\$88.83

Your Breakeven Prices			
Your Yield Percent	Your Yield Ton	To Cover Variable Costs	To Cover Total Costs
75%	0.00	\$0.00	\$0.00
90%	0.00	\$0.00	\$0.00
100%	0.00	\$0.00	\$0.00
110%	0.00	\$0.00	\$0.00
125%	0.00	\$0.00	\$0.00

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. Branch mentioned only as examples and imply no endorsement.