

Projections for Planning Purposes Only -- *Not to be Used without Updating*
2020 Estimated Costs and Returns per Acre
Alfalfa Establishment, Center Pivot Irrigated
Far West Extension District - 6

Crop Acres		122			
REVENUE	Quantity	Units	\$/Unit	Total	Enterprise Total
Total Revenue				\$0.00	\$0.00
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
Production Costs					
Fertilizer					
Fertilizer 11-52-0	38	Pound	\$0.39	\$14.82	\$1,808.04
Custom					
Custom Apply Fertilizer	1	Acre	\$5.00	\$5.00	\$610.00
Seed					
Alfalfa Seed Inoculated RR	32	Pound	\$9.00	\$288.00	\$35,136.00
Herbicide					
Glyphosate	2	Pint	\$2.12	\$4.24	\$517.28
Irrigation					
Energy Cost	3.04	Mcf	\$5.61	\$17.05	\$2,080.64
Irrigation Labor	0.02	Hour	\$15.00	\$0.26	\$32.21
Machinery Labor					
Tractors/Self-Propelled	0.4	Hour	\$15.00	\$6.00	\$732.00
Diesel Fuel					
Tractors/Self-Propelled	3.91	Gallon	\$2.60	\$10.17	\$1,240.25
Gasoline					
Pickup/General Use Equipment	1	Acre	\$3.86	\$3.86	\$470.88
Repairs & Maintenance					
Pickup/General Use Equipment	1	Acre	\$0.80	\$0.80	\$98.10
Irrigation Equipment	1	Acre	\$8.01	\$8.01	\$977.38
Tractors/Self-Propelled	1	Acre	\$9.79	\$9.79	\$1,194.33
Implements	1	Acre	\$11.85	\$11.85	\$1,445.26
Interest on Credit Line			6.00%	\$7.70	\$939.48
Total Variable Costs				\$387.56	\$47,281.85
Planned Returns Above Variable Costs:				(\$387.56)	(\$47,281.85)
Breakeven Price to Cover Variable Costs			n/a		
FIXED COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
Machinery Depreciation					
Pickup/General Use Equipment	1	Acre	\$3.02	\$3.02	\$367.88
Irrigation Equipment	1	Acre	\$45.01	\$45.01	\$5,491.76
Tractors/Self-Propelled	1	Acre	\$11.12	\$11.12	\$1,356.11
Implements	1	Acre	\$14.84	\$14.84	\$1,810.25
Equipment Investment					
Pickup/General Use Equipment	\$12.56	Dollars	6.00%	\$0.75	\$91.97
Irrigation Equipment	\$337.61	Dollars	6.00%	\$20.26	\$2,471.29
Tractors/Self-Propelled	\$86.13	Dollars	6.00%	\$5.17	\$630.47
Implements	\$63.47	Dollars	6.00%	\$3.81	\$464.63
Total Fixed Costs				\$103.97	\$12,684.37
Total Specified Costs				\$491.53	\$59,966.22
Returns Above Specified Costs				(\$491.53)	(\$59,966.22)
Breakeven Price to Cover Total Costs			n/a		

Example Breakeven Prices			
Example Yield Percent	Example Yield	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 Bill Thompson, Assistant 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.