

Projections for Planning Purposes Only -- Not to be Used without Updating
2020 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			
REVENUE	Quantity	Units	\$/Unit	Total	Enterprise Total
Alfalfa Hay - 3X4	7.50	Ton	\$267.00	\$2,002.50	\$244,305.00
Total Revenue				\$2,002.50	\$244,305.00
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
Production Costs					
Custom					
Custom Apply Fertilizer	1	Acre	\$5.00	\$5.00	\$610.00
Soil Test	0.5	Each	\$5.00	\$2.50	\$305.00
Fertilizer					
Fertilizer 11-52-0	73	Pound	\$0.39	\$28.47	\$3,473.34
Herbicide					
Crop Oil Concentrate	5	Pint	\$1.48	\$7.40	\$902.80
Trifluralin	2	Pint	\$2.75	\$5.50	\$671.00
Pursuit	5	Ounce	\$3.35	\$16.73	\$2,040.64
Insecticide					
Warrior Z	7.04	Ounce	\$1.25	\$8.80	\$1,073.60
Intrepid	2.31	Ounce	\$2.08	\$4.80	\$586.19
Irrigation					
Energy Cost	21.52	Mcf	\$5.61	\$120.73	\$14,728.72
Irrigation Labor	0.30	Hour	\$15.00	\$4.48	\$546.80
Machinery Labor					
Tractors/Self-Propelled	7.82	Hour	\$15.00	\$117.30	\$14,310.60
Diesel Fuel					
Tractors/Self-Propelled	35.69	Gallon	\$2.60	\$92.79	\$11,320.87
Gasoline					
Pickup/General Use Equipment	1	Acre	\$7.72	\$7.72	\$941.76
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	\$62.38	\$62.38	\$7,610.15
Implements	1	Acre	\$2.83	\$2.83	\$344.87
Interest on Credit Line			6.00%	\$10.64	\$1,297.80
Total Variable Costs				\$528.15	\$64,434.58
Planned Returns Above Variable Costs:				\$1,474.35	\$179,870.42
Breakeven Price to Cover Variable Costs			\$70.42	Ton	
FIXED COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
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	\$79.97	\$79.97	\$9,756.08
Implements	1	Acre	\$6.86	\$6.86	\$837.51
Equipment Investment					
Pickup/General Use Equipment	\$25.13	Dollars	6.00%	\$1.51	\$183.94
Irrigation Equipment	\$279.61	Dollars	6.00%	\$16.78	\$2,046.75
Tractors/Self-Propelled	\$600.62	Dollars	6.00%	\$36.04	\$4,396.54
Implements	\$49.78	Dollars	6.00%	\$2.99	\$364.41
Allocated Establishment Cost	1	Acre	\$109.50	\$109.50	\$13,359.00
Trans Pecos Irrigated Land	1	Acre	\$40.00	\$40.00	\$4,880.00
Total Fixed Costs				\$336.95	\$41,108.32
Total Specified Costs				\$865.11	\$105,542.90
Returns Above Specified Costs				\$1,137.39	\$138,762.10
Breakeven Price to Cover Total Costs			\$115.35	Ton	

Example Breakeven Prices			
Exampkt	Example	To Cover	To Cover
Yield	Yield	Variable	Total
Percent	Ton	Costs	Costs
75%	5.63	\$93.89	\$153.80
90%	6.75	\$78.24	\$128.16
100%	7.50	\$70.42	\$115.35
110%	8.25	\$64.02	\$104.86
125%	9.38	\$56.34	\$92.28

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.