

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, Center Pivot 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						
Soil Test		0.5	Each	\$5.00	\$2.50	\$305.00
Custom Apply Fertilizer		1	Acre	\$5.00	\$5.00	\$610.00
Fertilizer						
Fertilizer 11-52-0		73	Pound	\$0.39	\$28.47	\$3,473.34
Herbicide						
Trifluralin		2	Pint	\$2.75	\$5.50	\$671.00
Pursuit		5	Ounce	\$3.35	\$16.73	\$2,040.64
Crop Oil Concentrate		5	Pint	\$1.48	\$7.40	\$902.80
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		25.71	Mcf	\$5.61	\$144.23	\$17,596.44
Irrigation Labor		0.10	Hour	\$15.00	\$1.43	\$174.77
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	\$43.80	\$43.80	\$5,343.23
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%	\$11.22	\$1,368.72
Total Variable Costs					\$564.51	\$68,870.17
Planned Returns Above Variable Costs:					\$1,437.99	\$175,434.83
Breakeven Price to Cover Variable Costs				\$75.27	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	\$57.32	\$57.32	\$6,993.62
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		\$429.94	Dollars	6.00%	\$25.80	\$3,147.13
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	\$122.75	\$122.75	\$14,975.50
Trans Pecos Irrigated Land		1	Acre	\$40.00	\$40.00	\$4,880.00
Total Fixed Costs					\$379.27	\$46,270.48
Total Specified Costs					\$943.78	\$115,140.65
Returns Above Specified Costs					\$1,058.72	\$129,164.35
Breakeven Price to Cover Total Costs				\$125.84	Ton	

Example Breakeven Prices			
Example Yield Percent	Example Yield Ton	To Cover Variable Costs	To Cover Total Costs
75%	5.63	\$100.36	\$167.78
90%	6.75	\$83.63	\$139.82
100%	7.50	\$75.27	\$125.84
110%	8.25	\$68.43	\$114.40
125%	9.38	\$60.21	\$100.67

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.