

Projections for Planning Purposes Only -- Not to be Used without Updating
2021 Estimated Costs and Returns per Acre
Alfalfa, Full Season, Baled - 7.5 Ton Goal, Flood Irrigated, El Paso Irrigation District
Far West Extension District - 6

Crop Acres		122			
REVENUE	Quantity	Units	\$/Unit	Total	Enterprise Total
Alfalfa Hay - 3X4	7.50	Ton	\$240.00	\$1,800.00	\$219,600.00
Total Revenue				\$1,800.00	\$219,600.00
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
Production Costs					
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	\$2.18	\$10.88	\$1,326.75
Fertilizer					
Fertilizer 11-52-0	73	Pound	\$0.45	\$32.99	\$4,024.62
Custom					
Soil Test	0.5	Each	\$5.00	\$2.50	\$305.00
Custom Apply Fertilizer	1	Acre	\$6.00	\$6.00	\$732.00
Insecticide					
Warrior Z	7.04	Ounce	\$1.25	\$8.80	\$1,073.60
Intrepid	2.31	Ounce	\$2.04	\$4.71	\$574.65
Irrigation					
Water Cost	48.00	AcreInch	\$1.75	\$84.00	\$10,248.00
Machinery Labor					
Tractors/Self-Propelled	7.82	Hour	\$15.00	\$117.30	\$14,310.60
Diesel Fuel					
Tractors/Self-Propelled	37.28	Gallon	\$1.50	\$55.92	\$6,822.24
Gasoline					
Pickup/General Use Equipment	1	Acre	\$5.79	\$5.79	\$706.32
Repairs & Maintenance					
Pickup/General Use Equipment	1	Acre	\$1.61	\$1.61	\$196.20
Tractors/Self-Propelled	1	Acre	\$67.63	\$67.63	\$8,250.45
Implements	1	Acre	\$3.04	\$3.04	\$370.37
Interest on Credit Line			4.55%	\$7.07	\$862.63
Total Variable Costs				\$430.45	\$52,515.06
Planned Returns Above Variable Costs:				\$1,369.55	\$167,084.94
Breakeven Price to Cover Variable Costs			\$57.39	Ton	
FIXED COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
Machinery Depreciation					
Pickup/General Use Equipment	1	Acre	\$6.03	\$6.03	\$735.75
Tractors/Self-Propelled	1	Acre	\$89.84	\$89.84	\$10,960.75
Implements	1	Acre	\$7.37	\$7.37	\$899.12
Equipment Investment					
Pickup/General Use Equipment	\$25.13	Dollars	5.50%	\$1.38	\$168.61
Tractors/Self-Propelled	\$668.40	Dollars	5.50%	\$36.76	\$4,484.99
Implements	\$53.37	Dollars	5.50%	\$2.94	\$358.08
Allocated Establishment Cost					
Trans Pecos Irrigated Land	1	Acre	\$109.50	\$109.50	\$13,359.00
Trans Pecos Irrigated Land	1	Acre	\$50.00	\$50.00	\$6,100.00
Total Fixed Costs				\$303.82	\$37,066.30
Total Specified Costs				\$734.27	\$89,581.36
Returns Above Specified Costs				\$1,065.73	\$130,018.64
Breakeven Price to Cover Total Costs			\$97.90	Ton	

Example Breakeven Prices			
Example Yield Percent	Example Yield Ton	To Cover Variable Costs	To Cover Total Costs
75%	5.63	\$76.52	\$130.54
90%	6.75	\$63.77	\$108.78
100%	7.50	\$57.39	\$97.90
110%	8.25	\$52.18	\$89.00
125%	9.38	\$45.91	\$78.32

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.