

Projections for Planning Purposes Only -- Not to be Used without Updating
2020 Estimated Costs and Returns per Acre
Alfalfa, Roundup Ready, Establishment, Center Pivot Irrigated
West Central Extension District - 7

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						
	Phos (11-52-0 DRY MAT)	150	Pounds	\$0.39	\$58.41	\$7,126.39
Custom						
	Soil Test-Irrigated	1	Each	\$0.50	\$0.50	\$61.00
	Apply Dry Fertilizer	1	Acre	\$5.50	\$5.50	\$671.00
Seed						
	R.R. Alfalfa	25	pounds	\$9.00	\$225.00	\$27,450.00
Herbicide						
	Glyphosate	22	Ounce	\$0.13	\$2.92	\$356.47
Irrigation						
	Energy Cost	4.00	AcreInch	\$10.37	\$41.48	\$5,060.36
	Irrigation Labor	0.30	Hour	\$15.00	\$4.50	\$549.00
Machinery Labor						
	Tractors/Self-Propelled	0.45	Hour	\$15.00	\$6.75	\$823.50
Diesel Fuel						
	Tractors/Self-Propelled	3.91	Gallon	\$2.60	\$10.17	\$1,240.25
Gasoline						
	Pickup/General Use Equipment	1	Acre	\$1.92	\$1.92	\$234.00
Repairs & Maintenance						
	Pickup/General Use Equipment	1	Acre	\$0.74	\$0.74	\$90.30
	Irrigation Equipment	1	Acre	\$10.54	\$10.54	\$1,286.03
	Tractors/Self-Propelled	1	Acre	\$10.00	\$10.00	\$1,220.60
	Implements	1	Acre	\$13.02	\$13.02	\$1,588.98
	Interest on Credit Line			6.00%	\$4.52	\$551.22
Total Variable Costs					<u>\$395.98</u>	<u>\$48,309.09</u>
Planned Returns Above Variable Costs:					<u>(\$395.98)</u>	<u>(\$48,309.09)</u>
Breakeven Price to Cover Variable Costs					n/a	
FIXED COSTS		Quantity	Units	\$/Unit	Total	Enterprise Total
Machinery Depreciation						
	Pickup/General Use Equipment	1	Acre	\$1.55	\$1.55	\$189.00
	Irrigation Equipment	1	Acre	\$15.03	\$15.03	\$1,833.33
	Tractors/Self-Propelled	1	Acre	\$11.34	\$11.34	\$1,383.26
	Implements	1	Acre	\$16.59	\$16.59	\$2,023.96
Equipment Investment						
	Pickup/General Use Equipment	\$9.47	Dollars	6.00%	\$0.57	\$69.30
	Irrigation Equipment	\$112.70	Dollars	6.00%	\$6.76	\$825.00
	Tractors/Self-Propelled	\$87.86	Dollars	6.00%	\$5.27	\$643.16
	Implements	\$70.97	Dollars	6.00%	\$4.26	\$519.48
	Rent-Irrigated Crop	1	Acre	\$70.00	\$70.00	\$8,540.00
Total Fixed Costs					<u>\$131.36</u>	<u>\$16,026.50</u>
Total Specified Costs					<u>\$527.34</u>	<u>\$64,335.58</u>
Returns Above Specified Costs					<u>(\$527.34)</u>	<u>(\$64,335.58)</u>
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, Associate 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.