

Projections for Planning Purposes Only -- Not to be Used without Updating
2020 Estimated Costs and Returns per Acre
Alfalfa, RoundUp Ready, Full Season, Baled - 6.5 ton, Center Pivot Irrigated
West Central Extension District - 7

Crop Acres		122				Enterprise
REVENUE	Quantity	Units	\$/Unit	Total	Total	Total
Alfalfa Hay - Baled 3X4	6.50	Ton	\$235.00	\$1,527.50	\$186,355.00	\$186,355.00
Total Revenue				\$1,527.50	\$186,355.00	\$186,355.00
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Total	Enterprise
Production Costs						
Fertilizer						
Phos (11-52-0 DRY MAT)	73	Pounds	\$0.39	\$28.43	\$3,468.17	
Custom						
Soil Test-Irrigated	1	Each	\$0.50	\$0.50	\$61.00	
Apply Dry Fertilizer	1	Acre	\$5.50	\$5.50	\$671.00	
Swath, Rake and Bale	9.24	Bale	\$27.57	\$254.75	\$31,079.11	
Herbicide						
Trifluralin	2	Pint	\$2.75	\$5.50	\$671.00	
Glyphosate	110	Ounce	\$0.13	\$14.61	\$1,782.34	
Insecticide						
Mustang Max(Warrior Z)	7.04	Ounce	\$1.25	\$8.80	\$1,073.60	
Intrepid	2.3	Ounce	\$2.08	\$4.78	\$583.12	
Irrigation						
Energy Cost	36.00	AcreInch	\$10.37	\$373.30	\$45,543.20	
Irrigation Labor	0.80	Hour	\$15.00	\$12.00	\$1,464.00	
Machinery Labor						
Tractors/Self-Propelled	2.88	Hour	\$15.00	\$43.20	\$5,270.40	
Other Labor	0.07	Hour	\$15.00	\$1.05	\$128.10	
Diesel Fuel						
Tractors/Self-Propelled	22.93	Gallon	\$2.60	\$59.62	\$7,273.40	
Gasoline						
Pickup/General Use Equipment	1	Acre	\$5.97	\$5.97	\$727.92	
Repairs & Maintenance						
Pickup/General Use Equipment	1	Acre	\$2.69	\$2.69	\$328.50	
Irrigation Equipment	1	Acre	\$94.87	\$94.87	\$11,574.24	
Tractors/Self-Propelled	1	Acre	\$50.63	\$50.63	\$6,177.03	
Implements	1	Acre	\$0.51	\$0.51	\$62.47	
Interest on Credit Line			6.00%	\$15.54	\$1,895.86	
Total Variable Costs				\$982.25	\$119,834.46	
Planned Returns Above Variable Costs:				\$545.25	\$66,520.54	
Breakeven Price to Cover Variable Costs			\$151.12	Ton		
FIXED COSTS	Quantity	Units	\$/Unit	Total	Total	Enterprise
Machinery Depreciation						
Pickup/General Use Equipment	1	Acre	\$5.71	\$5.71	\$696.60	
Irrigation Equipment	1	Acre	\$60.11	\$60.11	\$7,333.33	
Tractors/Self-Propelled	1	Acre	\$60.65	\$60.65	\$7,398.92	
Implements	1	Acre	\$1.15	\$1.15	\$140.56	
Equipment Investment						
Pickup/General Use Equipment	\$31.65	Dollars	6.00%	\$1.90	\$231.66	
Irrigation Equipment	\$450.82	Dollars	6.00%	\$27.05	\$3,300.00	
Tractors/Self-Propelled	\$468.59	Dollars	6.00%	\$28.12	\$3,430.07	
Implements	\$7.04	Dollars	6.00%	\$0.42	\$51.54	
Allocated Establishment Cost	1	Acre	\$107.45	\$107.45	\$13,108.90	
Rent-Irrigated Crop	1	Acre	\$70.00	\$70.00	\$8,540.00	
Total Fixed Costs				\$362.55	\$44,231.58	
Total Specified Costs				\$1,344.80	\$164,066.05	
Returns Above Specified Costs				\$182.70	\$22,288.95	
Breakeven Price to Cover Total Costs			\$206.89	Ton		

Example Breakeven Prices			
Example	Example	To Cover	To Cover
Yield	Yield	Variable	Total
Percent	Ton	Costs	Costs
75%	4.88	\$201.49	\$275.86
90%	5.85	\$167.91	\$229.88
100%	6.50	\$151.12	\$206.89
110%	7.15	\$137.38	\$188.08
125%	8.13	\$120.89	\$165.51

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.