

**2021 Estimated Costs and Returns per Acre
Alfalfa, Sprinkler Irrigated (NG)
Panhandle Extension District - 1**

Crop Acres		122			
REVENUE	Quantity	Units	\$/Unit	Total	Enterprise Total
Hay - Alfalfa	5.50	Ton	\$230.00	\$1,265.00	\$154,330.00
Total Revenue				\$1,265.00	\$154,330.00
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
Production Costs					
Custom					
Fertilizer Application	1	Acre	\$5.35	\$5.35	\$652.76
Custom Baling	5.5	Ton	\$42.81	\$235.48	\$28,728.32
Fertilizer					
Fertilizer (P) - Liquid	60	Pound	\$0.49	\$29.40	\$3,586.80
Herbicide					
Herbicide and Application Alfalfa	1	Acre	\$23.95	\$23.95	\$2,921.45
Insecticide					
Insecticide Application Alfalfa	1	Acre	\$10.80	\$10.80	\$1,317.76
Irrigation					
Energy Cost	24.00	AcreInch	\$3.35	\$80.40	\$9,808.80
Irrigation Labor	1.54	Hour	\$13.65	\$20.97	\$2,557.90
Gasoline					
Pickup/General Use Equipment	1	Acre	\$5.20	\$5.20	\$634.50
Repairs & Maintenance					
Pickup/General Use Equipment	1	Acre	\$2.51	\$2.51	\$306.00
Irrigation Equipment	1	Acre	\$90.00	\$90.00	\$10,980.00
Interest on Credit Line			6.25%	\$5.48	\$668.98
Total Variable Costs				\$509.53	\$62,163.27
Planned Returns Above Variable Costs:				\$755.47	\$92,166.73
Breakeven Price to Cover Variable Costs			\$92.64	Ton	
FIXED COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
Machinery Depreciation					
Pickup/General Use Equipment	1	Acre	\$2.63	\$2.63	\$321.30
Irrigation Equipment	1	Acre	\$47.34	\$47.34	\$5,775.00
Equipment Investment					
Pickup/General Use Equipment	\$18.18	Dollars	6.25%	\$1.14	\$138.66
Irrigation Equipment	\$571.72	Dollars	6.25%	\$35.73	\$4,359.38
Allocated Establishment Cost	1	Acre	\$76.00	\$76.00	\$9,272.00
Cash Rent - Alfalfa	1	Acre	\$100.00	\$100.00	\$12,200.00
Total Fixed Costs				\$262.84	\$32,066.33
Total Specified Costs				\$772.37	\$94,229.60
Returns Above Specified Costs				\$492.63	\$60,100.40
Breakeven Price to Cover Total Costs			\$140.43	Ton	

Developed by Justin Benavidez, Assistant Professor, Texas A&M AgriLife Extension, 806-677-5600.

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.