

Projections for Planning Purposes Only -- Not to be Used without Updating
2015 Estimated Costs and Returns per Acre
Alfalfa, Roundup Ready, Establishment, Center Pivot Irrigated - 122 Acres
West Central Extension District - 7

Crop Acres		122				Enterprise
REVENUE	Quantity	Units	\$/Unit	Total	Total	
Total Revenue				\$0.00	\$0.00	
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Enterprise	
Production Costs						
Custom						
Apply Dry Fertilizer	1	Acre	\$4.50	\$4.50	\$549.00	
Soil Test-Irrigated	1	Each	\$0.50	\$0.50	\$61.00	
Fertilizer						
11-52-0	150	Pounds	\$0.26	\$39.00	\$4,758.00	
Herbicide						
Glyphosate	22	Ounce	\$0.12	\$2.53	\$309.20	
Seed						
R.R. Alfalfa	25	pounds	\$5.65	\$141.25	\$17,232.50	
Irrigation						
Energy Cost	4.00	AcreInch	\$10.97	\$43.87	\$5,352.30	
Irrigation Labor	0.80	Hour	\$12.00	\$9.60	\$1,171.20	
Machinery Labor						
Tractors/Self-Propelled	0.65	Hour	\$12.00	\$7.80	\$951.60	
Diesel Fuel						
Tractors/Self-Propelled	4.12	Gallon	\$2.75	\$11.33	\$1,382.26	
Gasoline						
Pickup/General Use Equipment	1	Acre	\$1.84	\$1.84	\$225.00	
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	\$8.84	\$8.84	\$1,078.80	
Implements	1	Acre	\$68.66	\$68.66	\$8,377.04	
Interest on Credit Line			3.75%	\$3.18	\$387.56	
Total Variable Costs				\$354.19	\$43,211.78	
Planned Returns Above Variable Costs:					(\$354.19) (\$43,211.78)	
Breakeven Price to Cover Variable Costs			n/a			
FIXED COSTS	Quantity	Units	\$/Unit	Total	Enterprise	
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	\$9.92	\$9.92	\$1,210.25	
Implements	1	Acre	\$88.29	\$88.29	\$10,771.37	
Equipment Investment						
Pickup/General Use Equipment	\$17.21	Dollars	3.75%	\$0.65	\$78.75	
Irrigation Equipment	\$225.41	Dollars	3.75%	\$8.45	\$1,031.25	
Tractors/Self-Propelled	\$112.14	Dollars	3.75%	\$4.21	\$513.04	
Implements	\$691.80	Dollars	3.75%	\$25.94	\$3,164.99	
Rent-Irrigated Crop	1	Acre	\$70.00	\$70.00	\$8,540.00	
Total Fixed Costs				\$224.03	\$27,331.98	
Total Specified Costs				\$578.23	\$70,543.77	
Returns Above Specified Costs					(\$578.23) (\$70,543.77)	
Breakeven Price to Cover Total Costs			n/a			

Example Breakeven Prices						
Example Yield Percent	Example Yield	Price Needed to Cover Example Variable Costs		Price Needed to Cover Example Total Costs		
		Own/Rent	ShareTenant	Own/Rent	ShareTenant	Landlord
75%	0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
90%	0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
100%	0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
110%	0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
125%	0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

Developed by Bill Thompson, Associate Professor and Extension Economist, Texas A&M AgriLife Extension Service.

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.