

Projections for Planning Purposes Only -- *Not to be Used without Updating*
2016 Estimated Costs and Returns per Acre
Alfalfa Establishment, Sprinkler Irrigated (NG), Fall Seeding Only - 122 Acres
Panhandle Extension District - 1

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					
Custom					
Fertilizer Application	1	Acre	\$5.65	\$5.65	\$689.45
Fertilizer					
Fertilizer (P) - Dry	80	Pound	\$0.52	\$41.60	\$5,075.20
Herbicide					
Herbicide and Application Alfalfa	1	Acre	\$21.79	\$21.79	\$2,658.19
Seed					
Seed - Alfalfa	18	Pound	\$5.66	\$101.85	\$12,426.02
Irrigation					
Energy Cost	6.00	AcreInch	\$3.20	\$19.20	\$2,342.40
Irrigation Labor	0.38	Hour	\$12.16	\$4.67	\$569.62
Machinery Labor					
Tractors/Self-Propelled	1.37	Hour	\$11.97	\$16.40	\$2,000.23
Diesel Fuel					
Tractors/Self-Propelled	2.97	Gallon	\$1.97	\$5.85	\$713.81
Gasoline					
Pickup/General Use Equipment	1	Acre	\$4.22	\$4.22	\$515.00
Repairs & Maintenance					
Pickup/General Use Equipment	1	Acre	\$2.51	\$2.51	\$306.00
Irrigation Equipment	1	Acre	\$24.24	\$24.24	\$2,957.28
Tractors/Self-Propelled	1	Acre	\$4.03	\$4.03	\$491.46
Implements	1	Acre	\$10.49	\$10.49	\$1,280.37
Interest on Credit Line			5.15%	\$4.98	\$607.48
Total Variable Costs				\$267.48	\$32,632.52
Planned Returns Above Variable Costs:				(\$267.48)	(\$32,632.52)
Breakeven Price to Cover Variable Costs			n/a		
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	\$22.50	\$22.50	\$2,745.60
Tractors/Self-Propelled	1	Acre	\$3.91	\$3.91	\$477.27
Implements	1	Acre	\$12.61	\$12.61	\$1,537.83
Equipment Investment					
Pickup/General Use Equipment	\$18.18	Dollars	5.40%	\$0.98	\$119.80
Irrigation Equipment	\$421.97	Dollars	5.40%	\$22.79	\$2,779.92
Tractors/Self-Propelled	\$30.48	Dollars	5.40%	\$1.65	\$200.78
Implements	\$53.92	Dollars	5.40%	\$2.91	\$355.24
Cash Rent - Alfalfa	1	Acre	\$125.00	\$125.00	\$15,250.00
Total Fixed Costs				\$194.98	\$23,787.73
Total Specified Costs				\$462.46	\$56,420.24
Returns Above Specified Costs				(\$462.46)	(\$56,420.24)
Breakeven Price to Cover Total Costs			n/a		

Example Breakeven Prices			
Example Yield Percent	Example Yield	Price Needed to Cover Your Variable Costs	Price Needed to Cover Your 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 Steve Amosson, Regents Fellow, Professor and Extension Economist, Texas A&M AgriLife Extension.

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.