

Projections for Planning Purposes Only -- *Not to be Used without Updating*
2017 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	\$5.00	\$5.00	\$610.00
Fertilizer					
Fertilizer (P) - Dry	80	Pound	\$0.43	\$34.40	\$4,196.80
Herbicide					
Herbicide and Application Alfalfa	1	Acre	\$22.00	\$22.00	\$2,684.00
Seed					
Seed - Alfalfa	18	Pound	\$5.45	\$98.10	\$11,968.20
Irrigation					
Energy Cost	6.00	AcreInch	\$3.60	\$21.60	\$2,635.20
Irrigation Labor	0.38	Hour	\$12.45	\$4.78	\$583.26
Machinery Labor					
Tractors/Self-Propelled	1.36	Hour	\$12.25	\$16.66	\$2,032.52
Diesel Fuel					
Tractors/Self-Propelled	2.96	Gallon	\$1.81	\$5.36	\$653.63
Gasoline					
Pickup/General Use Equipment	1	Acre	\$3.95	\$3.95	\$482.50
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	\$4.74	\$4.74	\$578.28
Implements	1	Acre	\$13.49	\$13.49	\$1,645.33
Interest on Credit Line			5.40%	\$4.52	\$551.98
Total Variable Costs				\$261.35	\$31,884.97
Planned Returns Above Variable Costs:				(\$261.35)	(\$31,884.97)
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	\$11.83	\$11.83	\$1,443.75
Tractors/Self-Propelled	1	Acre	\$4.62	\$4.62	\$563.52
Implements	1	Acre	\$16.50	\$16.50	\$2,013.10
Equipment Investment					
Pickup/General Use Equipment	\$18.18	Dollars	5.65%	\$1.03	\$125.35
Irrigation Equipment	\$142.93	Dollars	5.65%	\$8.08	\$985.22
Tractors/Self-Propelled	\$35.98	Dollars	5.65%	\$2.03	\$248.03
Implements	\$70.59	Dollars	5.65%	\$3.99	\$486.56
Cash Rent - Alfalfa	1	Acre	\$120.00	\$120.00	\$14,640.00
Total Fixed Costs				\$170.71	\$20,826.82
Total Specified Costs				\$432.06	\$52,711.79
Returns Above Specified Costs				(\$432.06)	(\$52,711.79)
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 Steve Amosson, Regents Fellow, Professor and Extension Economist, 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.