

Projections for Planning Purposes Only -- Not to be Used without Updating
2018 Estimated Costs and Returns per Acre
Alfalfa, Roundup Ready, Establishment, Center Pivot Irrigated
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						
Soil Test-Irrigated	1	Each	\$0.50	\$0.50	\$61.00	
Apply Dry Fertilizer	1	Acre	\$5.50	\$5.50	\$671.00	
Fertilizer						
Phos (11-52-0 DRY MAT)	150	Pounds	\$0.44	\$66.30	\$8,088.60	
Herbicide						
Glyphosate	22	Ounce	\$0.13	\$2.86	\$348.92	
Seed						
R.R. Alfalfa	25	pounds	\$9.00	\$225.00	\$27,450.00	
Irrigation						
Energy Cost	4.00	AcreInch	\$8.57	\$34.30	\$4,184.53	
Irrigation Labor	0.30	Hour	\$12.00	\$3.60	\$439.20	
Machinery Labor						
Tractors/Self-Propelled	0.45	Hour	\$12.00	\$5.40	\$658.80	
Diesel Fuel						
Tractors/Self-Propelled	3.91	Gallon	\$2.15	\$8.41	\$1,025.59	
Gasoline						
Pickup/General Use Equipment	1	Acre	\$1.92	\$1.92	\$234.00	
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	\$9.23	\$9.23	\$1,125.56	
Implements	1	Acre	\$11.77	\$11.77	\$1,436.28	
Interest on Credit Line			6.00%	\$4.48	\$546.56	
Total Variable Costs				\$390.54	\$47,646.37	
Planned Returns Above Variable Costs:				(\$390.54)	(\$47,646.37)	
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	\$10.37	\$10.37	\$1,265.53	
Implements	1	Acre	\$14.94	\$14.94	\$1,823.18	
Equipment Investment						
Pickup/General Use Equipment	\$9.47	Dollars	6.00%	\$0.57	\$69.30	
Irrigation Equipment	\$112.70	Dollars	6.00%	\$6.76	\$825.00	
Tractors/Self-Propelled	\$80.42	Dollars	6.00%	\$4.83	\$588.68	
Implements	\$63.93	Dollars	6.00%	\$3.84	\$467.95	
Rent-Irrigated Crop	1	Acre	\$70.00	\$70.00	\$8,540.00	
Total Fixed Costs				\$127.88	\$15,601.96	
Total Specified Costs				\$518.43	\$63,248.32	
Returns Above Specified Costs				(\$518.43)	(\$63,248.32)	
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 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.