

Projections for Planning Purposes Only -- *Not to be Used without Updating*
2019 Estimated Costs and Returns per Acre
Irrigated Alfalfa Establishment
Rolling Plains Extension District - 3

Crop Acres		100			
REVENUE	Quantity	Units	\$/Unit	Total	Enterprise Total
Total Revenue				\$0.00	\$0.00
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
Production Costs					
Fertilizer					
Fertilizer (N)	40	Pound	\$0.48	\$19.20	\$1,920.00
Fertilizer (P)	80	Pound	\$0.41	\$32.80	\$3,280.00
Potash (K)	40	Pound	\$0.34	\$13.60	\$1,360.00
Sulfur	12	Pound	\$0.22	\$2.64	\$264.00
Herbicide					
Roundup	2	Pint	\$2.06	\$4.13	\$412.50
Herbicide Application	1	Acre	\$5.50	\$5.50	\$550.00
Seed					
Alfalfa Seed	20	Acre	\$5.75	\$115.00	\$11,500.00
Irrigation					
Energy Cost	6.00	AcreInch	\$1.20	\$7.20	\$720.02
Irrigation Labor	0.51	Hour	\$10.00	\$5.12	\$512.00
Machinery Labor					
Tractors/Self-Propelled	0.62	Hour	\$10.00	\$6.20	\$620.00
Other Labor	0.68	Hour	\$10.00	\$6.80	\$680.00
Diesel Fuel					
Tractors/Self-Propelled	4.25	Gallon	\$2.20	\$9.35	\$935.00
Gasoline					
Pickup/General Use Equipment	1	Acre	\$9.00	\$9.00	\$900.00
Repairs & Maintenance					
Pickup/General Use Equipment	1	Acre	\$2.42	\$2.42	\$241.50
Irrigation Equipment	1	Acre	\$10.00	\$10.00	\$1,000.02
Tractors/Self-Propelled	1	Acre	\$8.24	\$8.24	\$823.82
Implements	1	Acre	\$11.50	\$11.50	\$1,150.43
Interest on Credit Line			5.75%	\$2.75	\$275.18
Total Variable Costs				\$271.44	\$27,144.47
Planned Returns Above Variable Costs:				(\$271.44)	(\$27,144.47)
Breakeven Price to Cover Variable Costs			n/a		
FIXED COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
Machinery Depreciation					
Pickup/General Use Equipment	1	Acre	\$3.35	\$3.35	\$335.28
Irrigation Equipment	1	Acre	\$6.00	\$6.00	\$600.00
Tractors/Self-Propelled	1	Acre	\$8.51	\$8.51	\$851.28
Implements	1	Acre	\$13.87	\$13.87	\$1,386.93
Equipment Investment					
Pickup/General Use Equipment	\$23.49	Dollars	5.50%	\$1.29	\$129.17
Irrigation Equipment	\$175.00	Dollars	5.50%	\$9.63	\$962.50
Tractors/Self-Propelled	\$66.32	Dollars	5.50%	\$3.65	\$364.75
Implements	\$59.33	Dollars	5.50%	\$3.26	\$326.31
Cash Rent - Irrigated Alfalfa	1	Acre	\$75.00	\$75.00	\$7,500.00
Total Fixed Costs				\$124.56	\$12,456.22
Total Specified Costs				\$396.01	\$39,600.70
Returns Above Specified Costs				(\$396.01)	(\$39,600.70)
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 Extension Economists, Texas A&M AgriLife Extension Service, budgets@tamu.edu.

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.