

Projections for Planning Purposes Only -- Not to be Used without Updating
2020 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 | \$0.38 | \$15.20 | \$1,520.00 |
| Fertilizer (P) | 80 | Pound | \$0.30 | \$24.00 | \$2,400.00 |
| Potash (K) | 40 | Pound | \$0.30 | \$12.00 | \$1,200.00 |
| Sulfur | 12 | Pound | \$0.22 | \$2.64 | \$264.00 |
| Herbicide | | | | | |
| Roundup | 2 | Pint | \$1.88 | \$3.75 | \$375.00 |
| 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 | \$4.50 | \$27.00 | \$2,700.00 |
| Irrigation Labor | 0.51 | Hour | \$12.00 | \$6.14 | \$614.40 |
| Machinery Labor | | | | | |
| Tractors/Self-Propelled | 0.62 | Hour | \$12.00 | \$7.44 | \$744.00 |
| Other Labor | 0.68 | Hour | \$12.00 | \$8.16 | \$816.00 |
| Diesel Fuel | | | | | |
| Tractors/Self-Propelled | 4.25 | Gallon | \$1.85 | \$7.86 | \$786.25 |
| Gasoline | | | | | |
| Pickup/General Use Equipment | 1 | Acre | \$9.00 | \$9.00 | \$900.00 |
| Repairs & Maintenance | | | | | |
| Pickup/General Use Equipment | 1 | Acre | \$3.60 | \$3.60 | \$360.00 |
| Irrigation Equipment | 1 | Acre | \$10.00 | \$10.00 | \$1,000.02 |
| Tractors/Self-Propelled | 1 | Acre | \$8.69 | \$8.69 | \$868.73 |
| Implements | 1 | Acre | \$10.49 | \$10.49 | \$1,048.51 |
| Interest on Credit Line | | | 6.50% | \$3.13 | \$313.19 |
| Total Variable Costs | | | | \$279.60 | \$27,960.09 |
| Planned Returns Above Variable Costs: | | | | | |
| Breakeven Price to Cover Variable Costs | | | | n/a | |
| | | | | (\$279.60) | (\$27,960.09) |
| FIXED COSTS | Quantity | Units | \$/Unit | Total | Enterprise Total |
| Machinery Depreciation | | | | | |
| Pickup/General Use Equipment | 1 | Acre | \$5.00 | \$5.00 | \$499.80 |
| Irrigation Equipment | 1 | Acre | \$9.00 | \$9.00 | \$900.00 |
| Tractors/Self-Propelled | 1 | Acre | \$8.98 | \$8.98 | \$897.69 |
| Implements | 1 | Acre | \$12.56 | \$12.56 | \$1,256.16 |
| Equipment Investment | | | | | |
| Pickup/General Use Equipment | \$35.01 | Dollars | 5.50% | \$1.93 | \$192.56 |
| Irrigation Equipment | \$262.50 | Dollars | 5.50% | \$14.44 | \$1,443.75 |
| Tractors/Self-Propelled | \$69.93 | Dollars | 5.50% | \$3.85 | \$384.63 |
| Implements | \$53.74 | Dollars | 5.50% | \$2.96 | \$295.55 |
| Cash Rent - Irrigated Alfalfa | 1 | Acre | \$90.00 | \$90.00 | \$9,000.00 |
| Total Fixed Costs | | | | \$148.70 | \$14,870.13 |
| Total Specified Costs | | | | \$428.30 | \$42,830.23 |
| Returns Above Specified Costs | | | | (\$428.30) | (\$42,830.23) |
| 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.