

Projections for Planning Purposes Only -- Not to be Used without Updating
2023 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	\$6.39	\$6.39	\$779.58	
Fertilizer						
Phos (11-52-0 DRY MAT)	150	Pounds	\$1.29	\$193.50	\$23,607.00	
Herbicide						
Glyphosate	22	Ounce	\$0.13	\$2.92	\$356.47	
Seed						
R.R. Alfalfa	25	pounds	\$8.50	\$212.50	\$25,925.00	
Irrigation						
Energy Cost	4.00	AcreInch	\$8.93	\$35.74	\$4,359.69	
Irrigation Labor	0.30	Hour	\$17.50	\$5.25	\$640.50	
Machinery Labor						
Tractors/Self-Propelled	0.2	Hour	\$17.21	\$3.44	\$419.92	
Diesel Fuel						
Tractors/Self-Propelled	1.7	Gallon	\$2.24	\$3.81	\$464.58	
Gasoline						
Pickup/General Use Equipment	1	Acre	\$1.77	\$1.77	\$215.40	
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	\$4.81	\$4.81	\$586.33	
Implements	1	Acre	\$4.97	\$4.97	\$605.88	
Interest on Credit Line			8.00%	\$8.06	\$983.48	
Total Variable Costs				\$494.93	\$60,381.15	
Planned Returns Above Variable Costs:				(\$494.93)	(\$60,381.15)	
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	\$5.43	\$5.43	\$661.98	
Implements	1	Acre	\$6.22	\$6.22	\$758.42	
Equipment Investment						
Pickup/General Use Equipment	\$9.47	Dollars	8.00%	\$0.76	\$92.40	
Irrigation Equipment	\$112.70	Dollars	8.00%	\$9.02	\$1,100.00	
Tractors/Self-Propelled	\$42.06	Dollars	8.00%	\$3.36	\$410.48	
Implements	\$26.59	Dollars	8.00%	\$2.13	\$259.55	
Rent-Irrigated Crop	1	Acre	\$70.00	\$70.00	\$8,540.00	
Total Fixed Costs				\$113.48	\$13,845.16	
Total Specified Costs				\$608.41	\$74,226.31	
Returns Above Specified Costs				(\$608.41)	(\$74,226.31)	
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, Assistant 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.