

Projections for Planning Purposes Only -- Not to be Used without Updating
2015 Estimated Costs and Returns per Acre
Alfalfa Establishment, Center Pivot Irrigated - 122 Acres
Far West Extension District - 6

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					
Custom Apply Fertilizer	1	Acre	\$4.00	\$4.00	\$488.00
Fertilizer 11-52-0	38	Pound	\$0.34	\$12.92	\$1,576.24
Herbicide					
Glyphosate	2	Pint	\$2.03	\$4.06	\$495.32
Seed					
Alfalfa Seed Inoculated	32	Pound	\$3.50	\$112.00	\$13,664.00
Irrigation					
Energy Cost	3.04	Mcf	\$4.00	\$12.16	\$1,483.52
Irrigation Labor	0.02	Hour	\$11.00	\$0.19	\$23.62
Machinery Labor					
Tractors/Self-Propelled	0.27	Hour	\$12.00	\$3.24	\$395.28
Diesel Fuel					
Tractors/Self-Propelled	2.71	Gallon	\$2.15	\$5.83	\$710.83
Gasoline					
Pickup/General Use Equipment	1	Acre	\$3.52	\$3.52	\$429.68
Repairs & Maintenance					
Pickup/General Use Equipment	1	Acre	\$0.80	\$0.80	\$98.10
Irrigation Equipment	1	Acre	\$8.01	\$8.01	\$977.38
Tractors/Self-Propelled	1	Acre	\$5.55	\$5.55	\$677.43
Implements	1	Acre	\$5.88	\$5.88	\$717.79
Interest on Credit Line			6.50%	\$3.86	\$471.20
Total Variable Costs				\$182.04	\$22,208.39
Planned Returns Above Variable Costs:				(\$182.04)	(\$22,208.39)
Breakeven Price to Cover Variable Costs			n/a		
FIXED COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
Machinery Depreciation					
Pickup/General Use Equipment	1	Acre	\$3.02	\$3.02	\$367.88
Irrigation Equipment	1	Acre	\$45.01	\$45.01	\$5,491.76
Tractors/Self-Propelled	1	Acre	\$6.44	\$6.44	\$785.94
Implements	1	Acre	\$7.25	\$7.25	\$884.45
Equipment Investment					
Pickup/General Use Equipment	\$20.10	Dollars	6.50%	\$1.31	\$159.41
Irrigation Equipment	\$675.22	Dollars	6.50%	\$43.89	\$5,354.47
Tractors/Self-Propelled	\$72.86	Dollars	6.50%	\$4.74	\$577.77
Implements	\$56.39	Dollars	6.50%	\$3.67	\$447.14
Total Fixed Costs				\$115.32	\$14,068.82
Total Specified Costs				\$297.35	\$36,277.21
Returns Above Specified Costs				(\$297.35)	(\$36,277.21)
Breakeven Price to Cover Total Costs			n/a		

Example Breakeven Prices						
Example Yield Percent	Example Yield	Price Needed to Cover Example Variable Costs		Price Needed to Cover Example Total Costs		
		Own/Rent	ShareTenant	Own/Rent	ShareTenant	Landlord
75%	0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
90%	0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
100%	0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
110%	0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
125%	0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

Developed by Rob Hogan, Associate Professor and Extension Economist, Texas A&M AgriLife Extension.

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.