

Projections for Planning Purposes Only -- Not to be Used without Updating
2018 Estimated Costs and Returns per Acre
Alfalfa Establishment, Sprinkler Irrigated (NG), Fall Seeding Only
Panhandle Extension District - 1

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 Application	1	Acre	\$5.12	\$5.12	\$624.64
Fertilizer					
Fertilizer (P) - Dry	80	Pound	\$0.43	\$34.40	\$4,196.80
Herbicide					
Herbicide and Application Alfalfa	1	Acre	\$22.37	\$22.37	\$2,729.14
Seed					
Seed - Alfalfa	18	Pound	\$5.50	\$99.00	\$12,078.00
Irrigation					
Energy Cost	6.00	AcreInch	\$3.50	\$21.00	\$2,562.00
Irrigation Labor	0.38	Hour	\$12.64	\$4.85	\$592.16
Machinery Labor					
Tractors/Self-Propelled	0.64	Hour	\$12.44	\$7.96	\$971.32
Other Labor	0.73	Hour	\$12.44	\$9.08	\$1,107.91
Diesel Fuel					
Tractors/Self-Propelled	2.96	Gallon	\$1.99	\$5.89	\$718.63
Gasoline					
Pickup/General Use Equipment	1	Acre	\$4.30	\$4.30	\$525.00
Repairs & Maintenance					
Pickup/General Use Equipment	1	Acre	\$2.51	\$2.51	\$306.00
Irrigation Equipment	1	Acre	\$24.24	\$24.24	\$2,957.28
Tractors/Self-Propelled	1	Acre	\$4.66	\$4.66	\$568.02
Implements	1	Acre	\$13.49	\$13.49	\$1,646.01
Interest on Credit Line			5.74%	\$5.22	\$636.93
Total Variable Costs				\$264.10	\$32,219.83
Planned Returns Above Variable Costs:				(\$264.10)	(\$32,219.83)
Breakeven Price to Cover Variable Costs			n/a		
FIXED COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
Machinery Depreciation					
Pickup/General Use Equipment	1	Acre	\$2.63	\$2.63	\$321.30
Irrigation Equipment	1	Acre	\$11.83	\$11.83	\$1,443.75
Tractors/Self-Propelled	1	Acre	\$4.53	\$4.53	\$552.61
Implements	1	Acre	\$16.56	\$16.56	\$2,020.69
Equipment Investment					
Pickup/General Use Equipment	\$18.18	Dollars	6.01%	\$1.09	\$133.33
Irrigation Equipment	\$142.93	Dollars	6.01%	\$8.59	\$1,047.99
Tractors/Self-Propelled	\$35.29	Dollars	6.01%	\$2.12	\$258.73
Implements	\$70.85	Dollars	6.01%	\$4.26	\$519.51
Cash Rent - Alfalfa	1	Acre	\$120.00	\$120.00	\$14,640.00
Total Fixed Costs				\$171.62	\$20,937.92
Total Specified Costs				\$435.72	\$53,157.75
Returns Above Specified Costs				(\$435.72)	(\$53,157.75)
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 Steve Amosson, Regents Fellow, Professor and Extension Economist, Texas A&M AgriLife Extension, 806-677-5600.

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.