

Projections for Planning Purposes Only -- Not to be Used without Updating
2018 Estimated Costs and Returns per Acre
Alamo Switchgrass, Full Season, Pivot Irrigated, Grazed
Far West Extension District - 6

Crop Acres		122			
				Total	Enterprise Total
REVENUE					
	Quantity	Units	\$/Unit	Total	Enterprise Total
AUM Grazing Lease	6.30	AUM	\$13.17	\$82.97	\$10,122.46
Total Revenue				\$82.97	\$10,122.46
VARIABLE COSTS					
	Quantity	Units	\$/Unit	Total	Enterprise Total
Production Costs					
Fertilizer					
N-32 in Water	20	Pound	\$0.39	\$7.80	\$951.60
Urea, Solid (46% N)	0.45	CWT	\$19.75	\$8.89	\$1,084.28
Herbicide					
2,4-D Amine 4	40	Ounce	\$0.14	\$5.60	\$683.20
Other Labor					
Hand Labor	0.14	Hour	\$8.50	\$1.19	\$145.18
Irrigation					
Energy Cost	4.56	Mcf	\$4.00	\$18.24	\$2,225.28
Irrigation Labor	0.03	Hour	\$11.00	\$0.29	\$35.43
Machinery Labor					
Tractors/Self-Propelled	0.3	Hour	\$12.00	\$3.60	\$439.20
Diesel Fuel					
Tractors/Self-Propelled	1.15	Gallon	\$2.14	\$2.46	\$300.24
Repairs & Maintenance					
Irrigation Equipment	1	Acre	\$12.02	\$12.02	\$1,466.07
Tractors/Self-Propelled	1	Acre	\$1.72	\$1.72	\$209.40
Implements	1	Acre	\$0.27	\$0.27	\$33.06
Interest on Credit Line			6.50%	\$1.70	\$207.83
Total Variable Costs				\$63.78	\$7,780.76
Planned Returns Above Variable Costs:				\$19.19	\$2,341.70
Breakeven Price to Cover Variable Costs			\$10.12	AUM	
FIXED COSTS					
	Quantity	Units	\$/Unit	Total	Enterprise Total
Machinery Depreciation					
Irrigation Equipment	1	Acre	\$48.64	\$48.64	\$5,933.75
Tractors/Self-Propelled	1	Acre	\$1.67	\$1.67	\$203.53
Implements	1	Acre	\$0.32	\$0.32	\$38.86
Equipment Investment					
Irrigation Equipment	\$364.78	Dollars	6.50%	\$23.71	\$2,892.70
Tractors/Self-Propelled	\$13.00	Dollars	6.50%	\$0.84	\$103.06
Implements	\$3.48	Dollars	6.50%	\$0.23	\$27.56
Allocated Establishment Cost					
Trans Pecos Irrigated Land	1	Acre	\$41.84	\$41.84	\$5,104.48
	1	Acre	\$40.00	\$40.00	\$4,880.00
Total Fixed Costs				\$157.25	\$19,183.94
Total Specified Costs				\$221.02	\$26,964.70
Returns Above Specified Costs				(\$138.05)	(\$16,842.24)
Breakeven Price to Cover Total Costs			\$35.08	AUM	

Example Breakeven Prices			
Example Yield Percent	Example Yield AUM	To Cover Variable Costs	To Cover Total Costs
75%	4.73	\$13.50	\$46.78
90%	5.67	\$11.25	\$38.98
100%	6.30	\$10.12	\$35.08
110%	6.93	\$9.20	\$31.89
125%	7.88	\$8.10	\$28.07

Developed by Rob Hogan, Associate Professor and Extension Economist, Texas A&M AgriLife Extension, 830-278-9151.

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.