

Projections for Planning Purposes Only -- Not to be Used without Updating
2019 Estimated Costs and Returns per Acre
Alamo Switchgrass, Full Season, Pivot Irrigated, Grazed
Far West Extension District - 6

Crop Acres		122			
				Enterprise	
REVENUE				Total	Total
AUM Grazing Lease	6.30	AUM	\$15.50	\$97.65	\$11,913.30
Total Revenue				\$97.65	\$11,913.30
VARIABLE COSTS				Total	Total
Production Costs					
Fertilizer					
N-32 in Water	20	Pound	\$0.42	\$8.44	\$1,029.19
Urea, Solid (46% N)	0.45	CWT	\$22.25	\$10.01	\$1,221.53
Herbicide					
2,4-D Amine 4	40	Ounce	\$0.09	\$3.59	\$438.22
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	1.14	Gallon	\$2.99	\$3.41	\$415.85
Repairs & Maintenance					
Irrigation Equipment	1	Acre	\$12.02	\$12.02	\$1,466.07
Tractors/Self-Propelled	1	Acre	\$1.62	\$1.62	\$197.31
Implements	1	Acre	\$0.27	\$0.27	\$32.64
Interest on Credit Line					
			6.50%	\$1.70	\$207.37
Total Variable Costs				\$64.37	\$7,853.27
Planned Returns Above Variable Costs:				\$33.28	\$4,060.03
Breakeven Price to Cover Variable Costs				\$10.22	AUM
FIXED COSTS				Total	Total
Machinery Depreciation					
Irrigation Equipment	1	Acre	\$48.64	\$48.64	\$5,933.75
Tractors/Self-Propelled	1	Acre	\$1.57	\$1.57	\$191.87
Implements	1	Acre	\$0.30	\$0.30	\$37.06
Equipment Investment					
Irrigation Equipment	\$364.78	Dollars	6.50%	\$23.71	\$2,892.70
Tractors/Self-Propelled	\$12.25	Dollars	6.50%	\$0.80	\$97.16
Implements	\$3.17	Dollars	6.50%	\$0.21	\$25.14
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				\$157.07	\$19,162.17
Total Specified Costs				\$221.44	\$27,015.44
Returns Above Specified Costs				(\$123.79)	(\$15,102.14)
Breakeven Price to Cover Total Costs				\$35.15	AUM

Example Breakeven Prices			
Example	Example	To Cover	To Cover
Yield	Yield	Variable	Total
Percent	AUM	Costs	Costs
75%	4.73	\$13.62	\$46.87
90%	5.67	\$11.35	\$39.05
100%	6.30	\$10.22	\$35.15
110%	6.93	\$9.29	\$31.95
125%	7.88	\$8.17	\$28.12

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.