

Projections for Planning Purposes Only -- Not to be Used without Updating
2020 Estimated Costs and Returns per Acre
Alamo Switchgrass, Full Season, Pivot Irrigated, Grazed
Far West Extension District - 6

Crop Acres	122					Enterprise
REVENUE	Quantity	Units	\$/Unit	Total	Total	Total
AUM Grazing Lease	6.30	AUM	\$15.50	\$97.65	\$97.65	\$11,913.30
Total Revenue				\$97.65	\$97.65	\$11,913.30
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Total	Enterprise
Production Costs						
Fertilizer						
N-32 in Water	20	Pound	\$0.41	\$8.20	\$8.20	\$1,000.40
Urea, Solid (46% N)	0.45	CWT	\$22.25	\$10.01	\$10.01	\$1,221.53
Herbicide						
2,4-D Amine 4	40	Ounce	\$0.10	\$4.00	\$4.00	\$488.00
Other Labor						
Hand Labor	0.14	Hour	\$8.50	\$1.19	\$1.19	\$145.18
Irrigation						
Energy Cost	4.56	Mcf	\$5.61	\$25.58	\$25.58	\$3,120.96
Irrigation Labor	0.03	Hour	\$15.00	\$0.40	\$0.40	\$48.31
Machinery Labor						
Tractors/Self-Propelled	0.3	Hour	\$15.00	\$4.50	\$4.50	\$549.00
Diesel Fuel						
Tractors/Self-Propelled	1.14	Gallon	\$2.60	\$2.96	\$2.96	\$361.61
Repairs & Maintenance						
Irrigation Equipment	1	Acre	\$12.02	\$12.02	\$12.02	\$1,466.07
Tractors/Self-Propelled	1	Acre	\$1.68	\$1.68	\$1.68	\$205.13
Implements	1	Acre	\$0.31	\$0.31	\$0.31	\$38.31
Interest on Credit Line			6.00%	\$1.72	\$1.72	\$210.12
Total Variable Costs				\$72.58	\$72.58	\$8,854.62
Planned Returns Above Variable Costs:				\$25.07	\$25.07	\$3,058.68
Breakeven Price to Cover Variable Costs			\$11.52	AUM		
FIXED COSTS	Quantity	Units	\$/Unit	Total	Total	Enterprise
Machinery Depreciation						
Irrigation Equipment	1	Acre	\$48.64	\$48.64	\$48.64	\$5,933.75
Tractors/Self-Propelled	1	Acre	\$1.64	\$1.64	\$1.64	\$199.64
Implements	1	Acre	\$0.37	\$0.37	\$0.37	\$44.92
Equipment Investment						
Irrigation Equipment	\$364.78	Dollars	6.00%	\$21.89	\$21.89	\$2,670.19
Tractors/Self-Propelled	\$12.75	Dollars	6.00%	\$0.76	\$0.76	\$93.31
Implements	\$3.92	Dollars	6.00%	\$0.23	\$0.23	\$28.67
Allocated Establishment Cost	1	Acre	\$41.91	\$41.91	\$41.91	\$5,113.02
Trans Pecos Irrigated Land	1	Acre	\$40.00	\$40.00	\$40.00	\$4,880.00
Total Fixed Costs				\$155.44	\$155.44	\$18,963.49
Total Specified Costs				\$228.02	\$228.02	\$27,818.10
Returns Above Specified Costs				(\$130.37)	(\$130.37)	(\$15,904.80)
Breakeven Price to Cover Total Costs			\$36.19	AUM		

Example Breakeven Prices			
Example Yield Percent	Example Yield AUM	To Cover Variable Costs	To Cover Total Costs
75%	4.73	\$15.36	\$48.26
90%	5.67	\$12.80	\$40.21
100%	6.30	\$11.52	\$36.19
110%	6.93	\$10.47	\$32.90
125%	7.88	\$9.22	\$28.95

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.