

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

Crop Acres		122			
				Enterprise	
REVENUE				Total	Total
Switchgrass	Quantity	Units	\$/Unit	\$507.20	\$61,878.40
	3.17	Ton	\$160.00		
Total Revenue				\$507.20	\$61,878.40
VARIABLE COSTS				Total	Enterprise 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	2.89	Hour	\$12.00	\$34.68	\$4,230.96
Diesel Fuel					
Tractors/Self-Propelled	15.99	Gallon	\$2.99	\$47.81	\$5,832.83
Repairs & Maintenance					
Irrigation Equipment	1	Acre	\$12.02	\$12.02	\$1,466.07
Tractors/Self-Propelled	1	Acre	\$18.05	\$18.05	\$2,201.52
Implements	1	Acre	\$1.77	\$1.77	\$216.01
Interest on Credit Line			6.50%	\$3.61	\$440.95
Total Variable Costs				\$159.70	\$19,483.16
Planned Returns Above Variable Costs:				\$347.50	\$42,395.24
Breakeven Price to Cover Variable Costs			\$50.38	Ton	
FIXED COSTS				Total	Enterprise Total
Machinery Depreciation					
Irrigation Equipment	1	Acre	\$48.64	\$48.64	\$5,933.75
Tractors/Self-Propelled	1	Acre	\$22.53	\$22.53	\$2,748.30
Implements	1	Acre	\$3.95	\$3.95	\$482.29
Equipment Investment					
Irrigation Equipment	\$364.78	Dollars	6.50%	\$23.71	\$2,892.70
Tractors/Self-Propelled	\$166.02	Dollars	6.50%	\$10.79	\$1,316.52
Implements	\$30.76	Dollars	6.50%	\$2.00	\$243.92
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				\$193.46	\$23,601.97
Total Specified Costs				\$353.16	\$43,085.13
Returns Above Specified Costs				\$154.04	\$18,793.27
Breakeven Price to Cover Total Costs			\$111.41	Ton	

Example Breakeven Prices				
Example	Example	To Cover	To Cover	
Yield	Yield	Variable	Total	
Percent	Ton	Costs	Costs	
75%	2.38	\$67.17	\$148.54	
90%	2.85	\$55.98	\$123.78	
100%	3.17	\$50.38	\$111.41	
110%	3.49	\$45.80	\$101.28	
125%	3.96	\$40.30	\$89.12	

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.