

Projections for Planning Purposes Only -- *Not to be Used without Updating*
2021 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	Enterprise 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 Total
Production Costs						
Fertilizer						
N-32 in Water	20	Pound	\$0.38	\$7.66	\$7.66	\$934.03
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	\$4.03	\$4.03	\$491.81
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	\$1.50	\$1.71	\$1.71	\$208.62
Repairs & Maintenance						
Irrigation Equipment	1	Acre	\$12.02	\$12.02	\$12.02	\$1,466.07
Tractors/Self-Propelled	1	Acre	\$1.76	\$1.76	\$1.76	\$214.99
Implements	1	Acre	\$0.34	\$0.34	\$0.34	\$41.42
Interest on Credit Line			4.55%	\$1.28	\$1.28	\$155.71
Total Variable Costs				\$70.47	\$70.47	\$8,597.63
Planned Returns Above Variable Costs:				\$27.18	\$27.18	\$3,315.67
Breakeven Price to Cover Variable Costs			\$11.19	AUM		
FIXED COSTS	Quantity	Units	\$/Unit	Total	Total	Enterprise Total
Machinery Depreciation						
Irrigation Equipment	1	Acre	\$48.64	\$48.64	\$48.64	\$5,933.75
Tractors/Self-Propelled	1	Acre	\$1.72	\$1.72	\$1.72	\$209.44
Implements	1	Acre	\$0.40	\$0.40	\$0.40	\$49.28
Equipment Investment						
Irrigation Equipment	\$364.78	Dollars	5.50%	\$20.06	\$20.06	\$2,447.67
Tractors/Self-Propelled	\$13.37	Dollars	5.50%	\$0.74	\$0.74	\$89.74
Implements	\$4.82	Dollars	5.50%	\$0.27	\$0.27	\$32.35
Allocated Establishment Cost	1	Acre	\$47.71	\$47.71	\$47.71	\$5,820.01
Trans Pecos Irrigated Land	1	Acre	\$50.00	\$50.00	\$50.00	\$6,100.00
Total Fixed Costs				\$169.53	\$169.53	\$20,682.23
Total Specified Costs				\$240.00	\$240.00	\$29,279.86
Returns Above Specified Costs				(\$142.35)	(\$142.35)	(\$17,366.56)
Breakeven Price to Cover Total Costs			\$38.10	AUM		

Example Breakeven Prices			
Example Yield Percent	Example Yield AUM	To Cover Variable Costs	To Cover Total Costs
75%	4.73	\$14.91	\$50.79
90%	5.67	\$12.43	\$42.33
100%	6.30	\$11.19	\$38.10
110%	6.93	\$10.17	\$34.63
125%	7.88	\$8.95	\$30.48

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.