

Projections for Planning Purposes Only -- Not to be Used without Updating
2022 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
AUM Grazing Lease	6.30	AUM	\$15.50	\$97.65	\$11,913.30	
Total Revenue				\$97.65	\$11,913.30	
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Total	Enterprise
Production Costs						
Fertilizer						
N-32 in Water	20	Pound	\$0.55	\$11.00	\$1,342.00	
Urea, Solid (46% N)	0.45	CWT	\$22.25	\$10.01	\$1,221.53	
Herbicide						
2,4-D Amine 4	40	Ounce	\$0.10	\$4.03	\$491.81	
Other Labor						
Hand Labor	0.14	Hour	\$8.50	\$1.19	\$145.18	
Irrigation						
Energy Cost	4.56	Mcf	\$3.91	\$17.83	\$2,175.21	
Irrigation Labor	0.03	Hour	\$16.38	\$0.43	\$52.76	
Machinery Labor						
Tractors/Self-Propelled	0.31	Hour	\$16.12	\$5.00	\$609.66	
Diesel Fuel						
Tractors/Self-Propelled	1.51	Gallon	\$2.67	\$4.03	\$491.87	
Repairs & Maintenance						
Irrigation Equipment	1	Acre	\$12.02	\$12.02	\$1,466.07	
Tractors/Self-Propelled	1	Acre	\$2.39	\$2.39	\$291.38	
Implements	1	Acre	\$0.41	\$0.41	\$50.49	
Interest on Credit Line			6.30%	\$1.78	\$217.24	
Total Variable Costs				\$70.12	\$8,555.19	
Planned Returns Above Variable Costs:				\$27.53	\$3,358.11	
Breakeven Price to Cover Variable Costs			\$11.13	AUM		
FIXED COSTS	Quantity	Units	\$/Unit	Total	Total	Enterprise
Machinery Depreciation						
Irrigation Equipment	1	Acre	\$48.64	\$48.64	\$5,933.75	
Tractors/Self-Propelled	1	Acre	\$2.42	\$2.42	\$294.78	
Implements	1	Acre	\$0.84	\$0.84	\$102.89	
Equipment Investment						
Irrigation Equipment	\$364.78	Dollars	6.30%	\$22.98	\$2,803.69	
Tractors/Self-Propelled	\$18.82	Dollars	6.30%	\$1.19	\$144.67	
Implements	\$14.49	Dollars	6.30%	\$0.91	\$111.35	
Allocated Establishment Cost	1	Acre	\$47.71	\$47.71	\$5,820.01	
Trans Pecos Irrigated Land	1	Acre	\$50.00	\$50.00	\$6,100.00	
Total Fixed Costs				\$174.68	\$21,311.14	
Total Specified Costs				\$244.81	\$29,866.33	
Returns Above Specified Costs				(\$147.16)	(\$17,953.03)	
Breakeven Price to Cover Total Costs			\$38.86	AUM		

Example Breakeven Prices			
Example	Example	To Cover	To Cover
Yield	Yield	Variable	Total
Percent	AUM	Costs	Costs
75%	4.73	\$14.84	\$51.81
90%	5.67	\$12.37	\$43.18
100%	6.30	\$11.13	\$38.86
110%	6.93	\$10.12	\$35.33
125%	7.88	\$8.90	\$31.09

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.