

Projections for Planning Purposes Only -- *Not to be Used without Updating*
2023 Estimated Costs and Returns per Acre
Alamo Switchgrass, Full Season, Pivot Irrigated, Grazed
Far West Extension District - 6

Crop Acres		122				
REVENUE		Quantity	Units	\$/Unit	Total	Enterprise Total
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	Enterprise Total
Production Costs						
Fertilizer						
N-32 in Water		20	Pound	\$0.53	\$10.60	\$1,293.20
Urea, Solid (46% N)		0.45	CWT	\$31.15	\$14.02	\$1,710.14
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	\$4.70	\$21.43	\$2,614.70
Irrigation Labor		0.03	Hour	\$17.50	\$0.46	\$56.36
Machinery Labor						
Tractors/Self-Propelled		0.3	Hour	\$17.21	\$5.16	\$629.89
Diesel Fuel						
Tractors/Self-Propelled		1.14	Gallon	\$2.24	\$2.55	\$311.54
Repairs & Maintenance						
Irrigation Equipment		1	Acre	\$12.02	\$12.02	\$1,466.07
Tractors/Self-Propelled		1	Acre	\$1.76	\$1.76	\$214.99
Implements		1	Acre	\$0.34	\$0.34	\$41.42
Interest on Credit Line				8.00%	\$2.41	\$294.58
Total Variable Costs					\$75.98	\$9,269.88
Planned Returns Above Variable Costs:					\$21.67	\$2,643.42
Breakeven Price to Cover Variable Costs				\$12.06	AUM	
FIXED COSTS		Quantity	Units	\$/Unit	Total	Enterprise Total
Machinery Depreciation						
Irrigation Equipment		1	Acre	\$48.64	\$48.64	\$5,933.75
Tractors/Self-Propelled		1	Acre	\$1.72	\$1.72	\$209.44
Implements		1	Acre	\$0.40	\$0.40	\$49.28
Equipment Investment						
Irrigation Equipment		\$364.78	Dollars	8.00%	\$29.18	\$3,560.25
Tractors/Self-Propelled		\$13.37	Dollars	8.00%	\$1.07	\$130.53
Implements		\$4.82	Dollars	8.00%	\$0.39	\$47.05
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					\$179.10	\$21,850.30
Total Specified Costs					\$255.08	\$31,120.18
Returns Above Specified Costs					(\$157.43)	(\$19,206.88)
Breakeven Price to Cover Total Costs				\$40.49	AUM	

Example Breakeven Prices			
Example Yield Percent	Example Yield AUM	To Cover Variable Costs	To Cover Total Costs
75%	4.73	\$16.08	\$53.99
90%	5.67	\$13.40	\$44.99
100%	6.30	\$12.06	\$40.49
110%	6.93	\$10.96	\$36.81
125%	7.88	\$9.65	\$32.39

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.