

**Projections for Planning Purposes Only -- Not to be Used without Updating**  
**2014 Estimated Costs and Returns per Acre**  
**Irrigated Coastal Bermudagrass Pasture - 100 Acres**  
**Southwest Extension District - 10**

Crop Acres		100			
REVENUE	Quantity	Units	\$/Unit	Total	Enterprise Total
AUM Grazing Lease	16.00	AUM	\$15.75	\$252.00	\$25,200.00
<b>Total Revenue</b>				<b>\$252.00</b>	<b>\$25,200.00</b>
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
<b>Production Costs</b>					
Fertilizer					
Fertilizer 22-6-17	454	Pound	\$0.22	\$97.71	\$9,770.65
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Herbicide					
Prowl H2O	4	Pint	\$4.63	\$18.52	\$1,852.00
Miscellaneous					
Miscellaneous Forage Overhead	1	Acre	\$4.00	\$4.00	\$400.00
Irrigation					
Energy or Water Cost	2081.45	kWh	\$0.18	\$374.66	\$37,466.17
Machinery Labor					
Tractors/Self-Propelled	0.41	Hour	\$12.00	\$4.92	\$492.00
Diesel Fuel					
Tractors/Self-Propelled	2.25	Gallon	\$2.85	\$6.41	\$641.25
Gasoline					
Pickup/General Use Equipment	1	Acre	\$33.63	\$33.63	\$3,363.36
Repairs & Maintenance					
Pickup/General Use Equipment	1	Acre	\$6.86	\$6.86	\$686.40
Irrigation Equipment	1	Acre	\$21.62	\$21.62	\$2,162.00
Tractors/Self-Propelled	1	Acre	\$0.53	\$0.53	\$53.40
Implements	1	Acre	\$0.29	\$0.29	\$29.19
Interest on Credit Line			6.50%	\$21.69	\$2,169.27
<b>Total Variable Costs</b>				<b>\$883.98</b>	<b>\$88,397.63</b>
Planned Returns Above Variable Costs:				<b>(\$631.98)</b>	<b>(\$63,197.63)</b>
Breakeven Price to Cover Variable Costs			\$55.25	AUM	
FIXED COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
Machinery Depreciation					
Pickup/General Use Equipment	1	Acre	\$25.74	\$25.74	\$2,574.00
Irrigation Equipment	1	Acre	\$34.75	\$34.75	\$3,475.12
Tractors/Self-Propelled	1	Acre	\$2.18	\$2.18	\$218.31
Implements	1	Acre	\$1.00	\$1.00	\$99.50
Equipment Investment					
Pickup/General Use Equipment	\$171.60	Dollars	6.50%	\$11.15	\$1,115.40
Irrigation Equipment	\$521.27	Dollars	6.50%	\$33.88	\$3,388.24
Tractors/Self-Propelled	\$28.48	Dollars	6.50%	\$1.85	\$185.12
Implements	\$29.63	Dollars	6.50%	\$1.93	\$192.58
Irrigated Winter Garden Rent	1	Acre	\$50.00	\$50.00	\$5,000.00
<b>Total Fixed Costs</b>				<b>\$162.48</b>	<b>\$16,248.27</b>
<b>Total Specified Costs</b>				<b>\$1,046.46</b>	<b>\$104,645.90</b>
Returns Above Specified Costs				<b>(\$794.46)</b>	<b>(\$79,445.90)</b>
Breakeven Price to Cover Total Costs			\$65.40	AUM	

Example Breakeven Prices						
Example Yield Percent	Example Yield AUM	Price Needed to Cover Example Variable Costs		Price Needed to Cover Example Total Costs		
		Own/Rent	ShareTenant	Own/Rent	ShareTenant	Landlord
75%	12.00	\$73.66	\$73.66	\$87.20	\$87.20	\$0.00
90%	14.40	\$61.39	\$61.39	\$72.67	\$72.67	\$0.00
100%	16.00	\$55.25	\$55.25	\$65.40	\$65.40	\$0.00
110%	17.60	\$50.23	\$50.23	\$59.46	\$59.46	\$0.00
125%	20.00	\$44.20	\$44.20	\$52.32	\$52.32	\$0.00

Developed by Rob Hogan, Associate Professor and Extension Economist, Texas A&M AgriLife Extension.

**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.**