Projections for Planning Purposes Only -- Not to be Used without Updating

2014 Estimated Costs and Returns per Acre

Coastal Bermudagrass Pasture - 100 Acres

North Texas Extension District - 4

Crop Acres	100				
REVENUE	Quantity	Units	$/Unit	Total	Enterprise Total
Bermuda Grazing	5.36	AUM	$10.00	$53.60	$5,360.00
Total Revenue				$53.60	$5,360.00
VARIABLE COSTS	Quantity	Units	$/Unit	Total	Enterprise Total
Production Costs					
Fertilizer					
18-46-0	100	Pounds	$0.36	$36.00	$3,600.00
34-0-0	200	Pounds	$0.35	$70.00	$7,000.00
Herbicide					
Pre-Emerge Bermuda Graze	1	Acre	$7.50	$7.50	$750.00
Machinery Labor					
Tractors/Self-Propelled	0.07	Hour	$10.00	$0.70	$70.00
Diesel Fuel					
Tractors/Self-Propelled	0.32	Gallon	$3.50	$1.12	$112.00
Repairs & Maintenance					
Tractors/Self-Propelled	1	Acre	$0.72	$0.72	$71.51
Implements	1	Acre	$0.43	$0.43	$43.20
Interest on Credit Line			4.75%	$1.48	$147.97
Total Variable Costs				$117.95	$11,794.68
Planned Returns Above Variable Costs:				($64.35)	($6,434.68)
Breakeven Price to Cover Variable Costs			$22.00	AUM	
FIXED COSTS	Quantity	Units	$/Unit	Total	Enterprise Total
Machinery Depreciation					
Tractors/Self-Propelled	1	Acre	$0.67	$0.67	$67.40
Implements	1	Acre	$0.34	$0.34	$34.29
Equipment Investment					
Tractors/Self-Propelled	$7.61	Dollars	6.00%	$0.46	$45.66
Implements	$4.80	Dollars	6.00%	$0.29	$28.80
Rent-Coastal	1	Acre	$12.00	$12.00	$1,200.00
Total Fixed Costs				$13.76	$1,376.15
Total Specified Costs				$131.71	$13,170.83
Returns Above Specifiied Costs				($78.11)	($7,810.83)
Breakeven Price to Cover Total Costs			$24.57	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%	4.02	$29.34	$29.34	$32.76	$32.76	$0.00
90%	4.82	$24.45	$24.45	$27.30	$27.30	$0.00
100%	5.36	$22.00	$22.00	$24.57	$24.57	$0.00
110%	5.90	$20.00	$20.00	$22.34	$22.34	$0.00
125%	6.70	$17.60	$17.60	$19.66	$19.66	$0.00

Developed by Blake Bennet, Associate Professor and Extension Economist, Texas A&M AgriLife Extension Service.

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.