

Projections for Planning Purposes Only -- *Not to be Used without Updating*
2016 Estimated Costs and Returns per Acre
Coastal Bermudagrass Pasture - 100 Acres
North Texas Extension District - 4

Crop Acres		100				Enterprise
REVENUE	Quantity	Units	\$/Unit	Total		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
Production Costs						Total
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	0.13	Hour	\$10.00	\$1.30		\$130.00
Diesel Fuel						
Tractors/Self-Propelled	0.67	Gallon	\$3.50	\$2.35		\$234.50
Repairs & Maintenance						
Tractors/Self-Propelled	1	Acre	\$0.85	\$0.85		\$85.26
Implements	1	Acre	\$2.18	\$2.18		\$218.05
Interest on Credit Line			4.75%	\$1.59		\$158.92
Total Variable Costs				\$121.77		\$12,176.73
Planned Returns Above Variable Costs:				(\$68.17)		(\$6,816.73)
Breakeven Price to Cover Variable Costs			\$22.72	AUM		
FIXED COSTS	Quantity	Units	\$/Unit	Total		Enterprise
Machinery Depreciation						Total
Tractors/Self-Propelled	1	Acre	\$0.81	\$0.81		\$80.93
Implements	1	Acre	\$1.79	\$1.79		\$178.69
Equipment Investment						
Tractors/Self-Propelled	\$6.31	Dollars	6.00%	\$0.38		\$37.83
Implements	\$18.76	Dollars	6.00%	\$1.13		\$112.58
Rent-Coastal	1	Acre	\$12.00	\$12.00		\$1,200.00
Total Fixed Costs				\$16.10		\$1,610.03
Total Specified Costs				\$137.87		\$13,786.76
Returns Above Specified Costs				(\$84.27)		(\$8,426.76)
Breakeven Price to Cover Total Costs			\$25.72	AUM		

Example Breakeven Prices			
Example Yield Percent	Example Yield AUM	Price Needed to Cover Your Variable Costs	Price Needed to Cover Your Total Costs
75%	4.02	\$30.29	\$34.30
90%	4.82	\$25.24	\$28.58
100%	5.36	\$22.72	\$25.72
110%	5.90	\$20.65	\$23.38
125%	6.70	\$18.17	\$20.58

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.