

Projections for Planning Purposes Only -- *Not to be Used without Updating*
2016 Estimated Costs and Returns per Acre
Small Grain with Grazing - 800 Acres
Central Texas Extension District - 8

Crop Acres		800		Enterprise	
REVENUE	Quantity	Units	\$/Unit	Total	Total
Stocker Weight Gain	378.00	Pound	\$0.55	\$207.90	\$166,320.00
Total Revenue				\$207.90	\$166,320.00
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
Production Costs					
Seed					
Oat Seed	110	Pound	\$0.35	\$38.50	\$30,800.00
Fertilizer					
18-46-0	100	Pound	\$0.65	\$65.00	\$52,000.00
N	100	Pound	\$0.60	\$60.00	\$48,000.00
Machinery Labor					
Tractors/Self-Propelled	0.24	Hour	\$10.00	\$2.40	\$1,920.00
Diesel Fuel					
Tractors/Self-Propelled	1.75	Gallon	\$2.65	\$4.64	\$3,710.00
Repairs & Maintenance					
Tractors/Self-Propelled	1	Acre	\$3.32	\$3.32	\$2,657.91
Implements	1	Acre	\$5.68	\$5.68	\$4,543.52
Interest on Credit Line			4.75%	\$5.10	\$4,080.21
Total Variable Costs				\$184.64	\$147,711.63
Planned Returns Above Variable Costs:				\$23.26	\$18,608.37
Breakeven Price to Cover Variable Costs			\$0.49	Pound	
FIXED COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
Machinery Depreciation					
Tractors/Self-Propelled	1	Acre	\$3.43	\$3.43	\$2,746.51
Implements	1	Acre	\$6.38	\$6.38	\$5,101.76
Equipment Investment					
Tractors/Self-Propelled	\$26.75	Dollars	6.00%	\$1.60	\$1,283.77
Implements	\$27.28	Dollars	6.00%	\$1.64	\$1,309.45
Dryland Crop Rent	1	Acre	\$30.00	\$30.00	\$24,000.00
Total Fixed Costs				\$43.05	\$34,441.49
Total Specified Costs				\$227.69	\$182,153.12
Returns Above Specified Costs				(\$19.79)	(\$15,833.12)
Breakeven Price to Cover Total Costs			\$0.60	Pound	

Example Breakeven Prices			
Example Yield Percent	Example Yield Pound	Price Needed to Cover Your Variable Costs	Price Needed to Cover Your Total Costs
75%	283.50	\$0.65	\$0.80
90%	340.20	\$0.54	\$0.67
100%	378.00	\$0.49	\$0.60
110%	415.80	\$0.44	\$0.55
125%	472.50	\$0.39	\$0.48

Developed by Jason Johnson, 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.