

**Projections for Planning Purposes Only -- Not to be Used without Updating**  
**2018 Estimated Costs and Returns per Acre**  
**Irrigated Coastal Bermudagrass Pasture**  
**Southwest Extension District - 10**

Crop Acres		100			
REVENUE	Quantity	Units	\$/Unit	Total	Enterprise Total
AUM Grazing Lease	16.00	AUM	\$13.17	\$210.72	\$21,072.00
<b>Total Revenue</b>				<b>\$210.72</b>	<b>\$21,072.00</b>
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
<b>Production Costs</b>					
Fertilizer					
Fertilizer 22-6-17	1816	Pound	\$0.20	\$363.20	\$36,320.00
Herbicide					
Prowl H2O	4	Pint	\$5.63	\$22.52	\$2,252.00
Miscellaneous					
Miscellaneous Forage Overhead	1	Acre	\$4.00	\$4.00	\$400.00
Irrigation					
Energy Cost	2990.00	kWh	\$0.17	\$508.30	\$50,830.00
Machinery Labor					
Tractors/Self-Propelled	0.5	Hour	\$12.00	\$6.00	\$600.00
Diesel Fuel					
Tractors/Self-Propelled	2.48	Gallon	\$2.14	\$5.31	\$530.72
Gasoline					
Pickup/General Use Equipment	1	Acre	\$23.62	\$23.62	\$2,362.12
Repairs & Maintenance					
Pickup/General Use Equipment	1	Acre	\$4.94	\$4.94	\$494.21
Irrigation Equipment	1	Acre	\$31.10	\$31.10	\$3,109.60
Tractors/Self-Propelled	1	Acre	\$3.34	\$3.34	\$333.98
Implements	1	Acre	\$1.62	\$1.62	\$162.13
Interest on Credit Line			6.50%	\$2.49	\$248.65
<b>Total Variable Costs</b>				<b>\$976.43</b>	<b>\$97,643.40</b>
Planned Returns Above Variable Costs:				<b>(\$765.71)</b>	<b>(\$76,571.40)</b>
Breakeven Price to Cover Variable Costs			\$61.03	AUM	
FIXED COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
<b>Machinery Depreciation</b>					
Pickup/General Use Equipment	1	Acre	\$25.74	\$25.74	\$2,574.00
Irrigation Equipment	1	Acre	\$48.53	\$48.53	\$4,853.31
Tractors/Self-Propelled	1	Acre	\$4.23	\$4.23	\$422.63
Implements	1	Acre	\$1.42	\$1.42	\$142.24
<b>Equipment Investment</b>					
Pickup/General Use Equipment	\$107.25	Dollars	6.50%	\$6.97	\$697.13
Irrigation Equipment	\$364.00	Dollars	6.50%	\$23.66	\$2,365.99
Tractors/Self-Propelled	\$32.48	Dollars	6.50%	\$2.11	\$211.13
Implements	\$17.12	Dollars	6.50%	\$1.11	\$111.30
Irrigated Winter Garden Rent	1	Acre	\$50.00	\$50.00	\$5,000.00
<b>Total Fixed Costs</b>				<b>\$163.78</b>	<b>\$16,377.72</b>
<b>Total Specified Costs</b>				<b>\$1,140.21</b>	<b>\$114,021.12</b>
Returns Above Specified Costs				<b>(\$929.49)</b>	<b>(\$92,949.12)</b>
<b>Breakeven Price to Cover Total Costs</b>			<b>\$71.26</b>	<b>AUM</b>	

Example Breakeven Prices			
Example Yield Percent	Example Yield AUM	To Cover Variable Costs	To Cover Total Costs
75%	12.00	\$81.37	\$95.02
90%	14.40	\$67.81	\$79.18
100%	16.00	\$61.03	\$71.26
110%	17.60	\$55.48	\$64.78
125%	20.00	\$48.82	\$57.01

Developed by Rob Hogan, Associate Professor and Extension Economist, Texas A&M AgriLife Extension, 830-278-9151.

**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.**