

Projections for Planning Purposes Only -- *Not to be Used without Updating*
2019 Estimated Costs and Returns per Acre
Dryland Coastal Bermudagrass Pasture
Southwest Extension District - 10

Crop Acres		100			
				Total	Enterprise Total
REVENUE					
	Quantity	Units	\$/Unit		
AUM Grazing Lease	5.00	AUM	\$15.50	\$77.50	\$7,750.00
Total Revenue				\$77.50	\$7,750.00
VARIABLE COSTS					
	Quantity	Units	\$/Unit	Total	Enterprise Total
Production Costs					
Fertilizer					
Fertilizer 22-6-17	772	Pound	\$0.20	\$154.40	\$15,440.00
Herbicide					
Prowl H2O	4	Pint	\$5.75	\$23.00	\$2,300.00
Miscellaneous					
Miscellaneous Forage Overhead	1	Acre	\$4.00	\$4.00	\$400.00
Machinery Labor					
Tractors/Self-Propelled	0.27	Hour	\$12.00	\$3.24	\$324.00
Diesel Fuel					
Tractors/Self-Propelled	1.39	Gallon	\$2.99	\$4.16	\$415.61
Gasoline					
Pickup/General Use Equipment	1	Acre	\$28.56	\$28.56	\$2,856.28
Repairs & Maintenance					
Pickup/General Use Equipment	1	Acre	\$4.20	\$4.20	\$420.00
Tractors/Self-Propelled	1	Acre	\$1.64	\$1.64	\$163.92
Implements	1	Acre	\$0.81	\$0.81	\$80.73
Interest on Credit Line			6.50%	\$3.80	\$379.70
Total Variable Costs				\$227.80	\$22,780.24
Planned Returns Above Variable Costs:				(\$150.30)	(\$15,030.24)
Breakeven Price to Cover Variable Costs			\$45.56	AUM	
FIXED COSTS					
	Quantity	Units	\$/Unit		Enterprise Total
Machinery Depreciation					
Pickup/General Use Equipment	1	Acre	\$25.74	\$25.74	\$2,574.00
Tractors/Self-Propelled	1	Acre	\$2.58	\$2.58	\$258.14
Implements	1	Acre	\$0.70	\$0.70	\$69.65
Equipment Investment					
Pickup/General Use Equipment	\$107.25	Dollars	6.50%	\$6.97	\$697.13
Tractors/Self-Propelled	\$19.66	Dollars	6.50%	\$1.28	\$127.78
Implements	\$8.26	Dollars	6.50%	\$0.54	\$53.66
Dryland Winter Garden Rent	1	Acre	\$20.00	\$20.00	\$2,000.00
Total Fixed Costs				\$57.80	\$5,780.36
Total Specified Costs				\$285.61	\$28,560.60
Returns Above Specified Costs				(\$208.11)	(\$20,810.60)
Breakeven Price to Cover Total Costs			\$57.12	AUM	

Example Breakeven Prices			
Example Yield Percent	Example Yield AUM	To Cover Variable Costs	To Cover Total Costs
75%	3.75	\$60.75	\$76.16
90%	4.50	\$50.62	\$63.47
100%	5.00	\$45.56	\$57.12
110%	5.50	\$41.42	\$51.93
125%	6.25	\$36.45	\$45.70

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.