

Projections for Planning Purposes Only -- *Not to be Used without Updating*
2020 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					
				Total	Enterprise Total
Production Costs					
Fertilizer					
Fertilizer 22-6-17	772	Pound	\$0.20	\$154.40	\$15,440.00
Herbicide					
Prowl H2O	4	Pint	\$6.02	\$24.08	\$2,407.60
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	\$2.49	\$3.46	\$346.11
Gasoline					
Pickup/General Use Equipment	1	Acre	\$23.62	\$23.62	\$2,362.12
Repairs & Maintenance					
Pickup/General Use Equipment	1	Acre	\$4.20	\$4.20	\$420.00
Tractors/Self-Propelled	1	Acre	\$1.81	\$1.81	\$180.66
Implements	1	Acre	\$0.81	\$0.81	\$81.38
Interest on Credit Line			6.50%	\$3.65	\$364.54
Total Variable Costs				\$223.26	\$22,326.41
Planned Returns Above Variable Costs:				(\$145.76)	(\$14,576.41)
Breakeven Price to Cover Variable Costs			\$44.65 AUM		
FIXED COSTS					
				Total	Enterprise Total
Machinery Depreciation					
Pickup/General Use Equipment	1	Acre	\$25.74	\$25.74	\$2,574.00
Tractors/Self-Propelled	1	Acre	\$2.88	\$2.88	\$288.29
Implements	1	Acre	\$0.72	\$0.72	\$72.50
Equipment Investment					
Pickup/General Use Equipment	\$107.25	Dollars	6.50%	\$6.97	\$697.13
Tractors/Self-Propelled	\$21.95	Dollars	6.50%	\$1.43	\$142.66
Implements	\$8.85	Dollars	6.50%	\$0.58	\$57.51
Dryland Winter Garden Rent	1	Acre	\$20.00	\$20.00	\$2,000.00
Total Fixed Costs				\$58.32	\$5,832.08
Total Specified Costs				\$281.58	\$28,158.50
Returns Above Specified Costs				(\$204.08)	(\$20,408.50)
Breakeven Price to Cover Total Costs			\$56.32 AUM		

Example Breakeven Prices			
Example Yield Percent	Example Yield AUM	To Cover Variable Costs	To Cover Total Costs
75%	3.75	\$59.54	\$75.09
90%	4.50	\$49.61	\$62.57
100%	5.00	\$44.65	\$56.32
110%	5.50	\$40.59	\$51.20
125%	6.25	\$35.72	\$45.05

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.