

Projections for Planning Purposes Only -- *Not to be Used without Updating*
2020 Estimated Costs and Returns per Acre
Coastal Bermudagrass Pasture
Central Texas Extension District - 8

Crop Acres	100				
REVENUE	Quantity	Units	\$/Unit	Total	Enterprise Total
Livestock Grazing	5.00	AUM	\$22.00	\$110.00	\$11,000.00
Total Revenue				\$110.00	\$11,000.00
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
Production Costs					
Custom					
Custom Spray	2	Acre	\$8.00	\$16.00	\$1,600.00
Fertilizer					
24-6-12	200	Pound	\$0.23	\$46.00	\$4,600.00
Herbicide					
Herbicide, Pasture	1	Acre	\$8.00	\$8.00	\$800.00
Interest on Credit Line			4.75%	\$1.04	\$104.48
Total Variable Costs				\$71.04	\$7,104.48
Planned Returns Above Variable Costs:				\$38.96	\$3,895.52
Breakeven Price to Cover Variable Costs			\$14.21	AUM	
FIXED COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
Total Fixed Costs				\$0.00	\$0.00
Total Specified Costs				\$71.04	\$7,104.48
Returns Above Specified Costs				\$38.96	\$3,895.52
Breakeven Price to Cover Total Costs			\$14.21	AUM	

Example Breakeven Prices			
Example Yield Percent	Example Yield AUM	To Cover Variable Costs	To Cover Total Costs
75%	3.75	\$18.95	\$18.95
90%	4.50	\$15.79	\$15.79
100%	5.00	\$14.21	\$14.21
110%	5.50	\$12.92	\$12.92
125%	6.25	\$11.37	\$11.37

Developed by Jason Johnson, Associate Professor and Extension Economist, Texas A&M AgriLife Extension, 254-968-4144.

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.