

Projections for Planning Purposes Only -- *Not to be Used without Updating*
2015 Estimated Costs and Returns per Acre
Dryland Coastal Bermudagrass Pasture - 100 Acres
Southwest Extension District - 10

| Crop Acres | | 100 | | Enterprise | |
|---|----------|---------|----------------|-------------------|----------------------|
| REVENUE | Quantity | Units | \$/Unit | Total | Total |
| AUM Grazing Lease | 5.00 | AUM | \$18.75 | \$93.75 | \$9,375.00 |
| Total Revenue | | | | \$93.75 | \$9,375.00 |
| VARIABLE COSTS | Quantity | Units | \$/Unit | Total | Total |
| Production Costs | | | | | |
| Fertilizer | | | | | |
| Fertilizer 22-6-17 | 772 | Pound | \$0.22 | \$166.14 | \$16,614.40 |
| Herbicide | | | | | |
| Prowl H2O | 4 | Pint | \$5.06 | \$20.24 | \$2,024.00 |
| 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 | 1.42 | Gallon | \$2.15 | \$3.05 | \$305.30 |
| Gasoline | | | | | |
| Pickup/General Use Equipment | 1 | Acre | \$18.40 | \$18.40 | \$1,840.00 |
| Repairs & Maintenance | | | | | |
| Pickup/General Use Equipment | 1 | Acre | \$4.20 | \$4.20 | \$420.00 |
| Tractors/Self-Propelled | 1 | Acre | \$1.72 | \$1.72 | \$172.44 |
| Implements | 1 | Acre | \$0.97 | \$0.97 | \$97.26 |
| Interest on Credit Line | | | 6.50% | \$8.60 | \$860.42 |
| Total Variable Costs | | | | \$230.58 | \$23,057.81 |
| Planned Returns Above Variable Costs: | | | | (\$136.83) | (\$13,682.81) |
| Breakeven Price to Cover Variable Costs | | | \$46.12 | AUM | |
| FIXED COSTS | Quantity | Units | \$/Unit | Total | Total |
| Machinery Depreciation | | | | | |
| Pickup/General Use Equipment | 1 | Acre | \$25.74 | \$25.74 | \$2,574.00 |
| Tractors/Self-Propelled | 1 | Acre | \$2.57 | \$2.57 | \$257.24 |
| Implements | 1 | Acre | \$0.80 | \$0.80 | \$79.98 |
| Equipment Investment | | | | | |
| Pickup/General Use Equipment | \$171.60 | Dollars | 6.50% | \$11.15 | \$1,115.40 |
| Tractors/Self-Propelled | \$29.20 | Dollars | 6.50% | \$1.90 | \$189.78 |
| Implements | \$12.25 | Dollars | 6.50% | \$0.80 | \$79.64 |
| Dryland Winter Garden Rent | 1 | Acre | \$20.00 | \$20.00 | \$2,000.00 |
| Total Fixed Costs | | | | \$62.96 | \$6,296.04 |
| Total Specified Costs | | | | \$293.54 | \$29,353.86 |
| Returns Above Specified Costs | | | | (\$199.79) | (\$19,978.86) |
| Breakeven Price to Cover Total Costs | | | \$58.71 | AUM | |

| Example Breakeven Prices | | | | | | |
|--------------------------|-------------------|--|--------------|---|--------------|----------|
| Example Yield Percent | Example Yield AUM | Price Needed to Cover Example Variable Costs | | Price Needed to Cover Example Total Costs | | |
| | | Own/Rent | Share/Tenant | Own/Rent | Share/Tenant | Landlord |
| 75% | 3.75 | \$61.49 | \$61.49 | \$78.28 | \$78.28 | \$0.00 |
| 90% | 4.50 | \$51.24 | \$51.24 | \$65.23 | \$65.23 | \$0.00 |
| 100% | 5.00 | \$46.12 | \$46.12 | \$58.71 | \$58.71 | \$0.00 |
| 110% | 5.50 | \$41.92 | \$41.92 | \$53.37 | \$53.37 | \$0.00 |
| 125% | 6.25 | \$36.89 | \$36.89 | \$46.97 | \$46.97 | \$0.00 |

Developed by Rob Hogan, 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.