

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

Crop Acres		100			
				Total	Enterprise Total
<b>REVENUE</b>					
	Quantity	Units	\$/Unit		
AUM Grazing Lease	5.00	AUM	\$13.17	\$65.85	\$6,585.00
<b>Total Revenue</b>				<b>\$65.85</b>	<b>\$6,585.00</b>
<b>VARIABLE COSTS</b>					
				Total	Enterprise Total
<b>Production Costs</b>					
Fertilizer					
Fertilizer 22-6-17	772	Pound	\$0.20	\$154.40	\$15,440.00
Herbicide					
Prowl H2O	4	Pint	\$5.63	\$22.52	\$2,252.00
Miscellaneous					
Miscellaneous Forage Overhead	1	Acre	\$4.00	\$4.00	\$400.00
Machinery Labor					
Tractors/Self-Propelled	0.27	Hour	\$12.00	\$3.24	\$324.00
Diesel Fuel					
Tractors/Self-Propelled	1.39	Gallon	\$2.14	\$2.97	\$297.46
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	\$1.80	\$1.80	\$180.10
Implements	1	Acre	\$0.81	\$0.81	\$81.07
Interest on Credit Line			6.50%	\$3.62	\$361.54
<b>Total Variable Costs</b>				<b>\$221.18</b>	<b>\$22,118.28</b>
Planned Returns Above Variable Costs:				<b>(\$155.33)</b>	<b>(\$15,533.28)</b>
Breakeven Price to Cover Variable Costs			\$44.24 AUM		
<b>FIXED COSTS</b>					
				Total	Enterprise Total
Machinery Depreciation					
Pickup/General Use Equipment	1	Acre	\$25.74	\$25.74	\$2,574.00
Tractors/Self-Propelled	1	Acre	\$2.73	\$2.73	\$272.50
Implements	1	Acre	\$0.71	\$0.71	\$71.12
Equipment Investment					
Pickup/General Use Equipment	\$107.25	Dollars	6.50%	\$6.97	\$697.13
Tractors/Self-Propelled	\$20.79	Dollars	6.50%	\$1.35	\$135.11
Implements	\$8.56	Dollars	6.50%	\$0.56	\$55.65
Dryland Winter Garden Rent	1	Acre	\$20.00	\$20.00	\$2,000.00
<b>Total Fixed Costs</b>				<b>\$58.06</b>	<b>\$5,805.50</b>
<b>Total Specified Costs</b>				<b>\$279.24</b>	<b>\$27,923.79</b>
Returns Above Specified Costs				<b>(\$213.39)</b>	<b>(\$21,338.79)</b>
Breakeven Price to Cover Total Costs			\$55.85 AUM		

<b>Example Breakeven Prices</b>			
Example Yield Percent	Example Yield AUM	To Cover Variable Costs	To Cover Total Costs
75%	3.75	\$58.98	\$74.46
90%	4.50	\$49.15	\$62.05
100%	5.00	\$44.24	\$55.85
110%	5.50	\$40.22	\$50.77
125%	6.25	\$35.39	\$44.68

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.**