

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

Crop Acres		100			
REVENUE	Quantity	Units	\$/Unit	Total	Enterprise Total
AUM Grazing Lease	16.00	AUM	\$15.50	\$248.00	\$24,800.00
<b>Total Revenue</b>				<b>\$248.00</b>	<b>\$24,800.00</b>
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
<b>Production Costs</b>					
Fertilizer					
Fertilizer 22-6-17	1816	Pound	\$0.20	\$363.20	\$36,320.00
Herbicide					
Prowl H2O	4	Pint	\$5.75	\$23.00	\$2,300.00
Miscellaneous					
Miscellaneous Forage Overhead	1	Acre	\$4.00	\$4.00	\$400.00
Irrigation					
Energy Cost	3036.00	kWh	\$0.17	\$516.12	\$51,612.00
Irrigation Labor	0.37	Hour	\$11.00	\$4.05	\$404.80
Machinery Labor					
Tractors/Self-Propelled	0.5	Hour	\$12.00	\$6.00	\$600.00
Diesel Fuel					
Tractors/Self-Propelled	2.48	Gallon	\$2.99	\$7.42	\$741.52
Gasoline					
Pickup/General Use Equipment	1	Acre	\$28.56	\$28.56	\$2,856.28
Repairs & Maintenance					
Pickup/General Use Equipment	1	Acre	\$4.94	\$4.94	\$494.21
Irrigation Equipment	1	Acre	\$28.62	\$28.62	\$2,861.73
Tractors/Self-Propelled	1	Acre	\$3.01	\$3.01	\$301.13
Implements	1	Acre	\$1.61	\$1.61	\$161.45
Interest on Credit Line			6.50%	\$2.28	\$227.91
<b>Total Variable Costs</b>				<b>\$992.81</b>	<b>\$99,281.04</b>
Planned Returns Above Variable Costs:				<b>(\$744.81)</b>	<b>(\$74,481.04)</b>
Breakeven Price to Cover Variable Costs			\$62.05	AUM	
FIXED COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
Machinery Depreciation					
Pickup/General Use Equipment	1	Acre	\$25.74	\$25.74	\$2,574.00
Irrigation Equipment	1	Acre	\$98.31	\$98.31	\$9,831.25
Tractors/Self-Propelled	1	Acre	\$3.92	\$3.92	\$391.62
Implements	1	Acre	\$1.39	\$1.39	\$139.30
Equipment Investment					
Pickup/General Use Equipment	\$107.25	Dollars	6.50%	\$6.97	\$697.13
Irrigation Equipment	\$788.13	Dollars	6.50%	\$51.23	\$5,122.81
Tractors/Self-Propelled	\$30.06	Dollars	6.50%	\$1.95	\$195.37
Implements	\$16.51	Dollars	6.50%	\$1.07	\$107.33
Irrigated Winter Garden Rent	1	Acre	\$50.00	\$50.00	\$5,000.00
<b>Total Fixed Costs</b>				<b>\$240.59</b>	<b>\$24,058.81</b>
<b>Total Specified Costs</b>				<b>\$1,233.40</b>	<b>\$123,339.85</b>
Returns Above Specified Costs				<b>(\$985.40)</b>	<b>(\$98,539.85)</b>
Breakeven Price to Cover Total Costs			\$77.09	AUM	

Example Breakeven Prices			
Example Yield Percent	Example Yield AUM	To Cover Variable Costs	To Cover Total Costs
75%	12.00	\$82.73	\$102.78
90%	14.40	\$68.95	\$85.65
100%	16.00	\$62.05	\$77.09
110%	17.60	\$56.41	\$70.08
125%	20.00	\$49.64	\$61.67

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.**