

Projections for Planning Purposes Only -- *Not to be Used without Updating*
2020 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
Total Revenue				\$248.00	\$24,800.00
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
Production Costs					
Fertilizer					
Fertilizer 22-6-17	1816	Pound	\$0.20	\$363.20	\$36,320.00
Herbicide					
Prowl H2O	4	Pint	\$6.02	\$24.08	\$2,407.60
Miscellaneous					
Miscellaneous Forage Overhead	1	Acre	\$4.00	\$4.00	\$400.00
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	\$2.49	\$6.18	\$617.52
Gasoline					
Pickup/General Use Equipment	1	Acre	\$23.62	\$23.62	\$2,362.12
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	\$3.31	\$3.31	\$331.01
Implements	1	Acre	\$1.63	\$1.63	\$162.77
Interest on Credit Line			6.50%	\$2.13	\$212.63
Total Variable Costs				\$987.86	\$98,786.39
Planned Returns Above Variable Costs:				(\$739.86)	(\$73,986.39)
Breakeven Price to Cover Variable Costs			\$61.74	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	\$4.35	\$4.35	\$435.13
Implements	1	Acre	\$1.45	\$1.45	\$145.00
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	\$33.39	Dollars	6.50%	\$2.17	\$217.01
Implements	\$17.70	Dollars	6.50%	\$1.15	\$115.02
Irrigated Winter Garden Rent	1	Acre	\$50.00	\$50.00	\$5,000.00
Total Fixed Costs				\$241.37	\$24,137.35
Total Specified Costs				\$1,229.24	\$122,923.73
Returns Above Specified Costs				(\$981.24)	(\$98,123.73)
Breakeven Price to Cover Total Costs			\$76.83	AUM	

Example Breakeven Prices			
Example Yield Percent	Example Yield AUM	To Cover Variable Costs	To Cover Total Costs
75%	12.00	\$82.32	\$102.44
90%	14.40	\$68.60	\$85.36
100%	16.00	\$61.74	\$76.83
110%	17.60	\$56.13	\$69.84
125%	20.00	\$49.39	\$61.46

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.