

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

Crop Acres	100				Enterprise
REVENUE	Quantity	Units	\$/Unit	Total	Total
Total Revenue				\$0.00	\$0.00
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
Production Costs					
Custom					
Custom Sprigging	1	Acre	\$100.00	\$100.00	\$10,000.00
Fertilizer					
Fertilizer 22-6-17	353	Pound	\$0.22	\$75.97	\$7,597.00
Herbicide					
Prowl H2O	4	Pint	\$5.06	\$20.24	\$2,024.00
Seed					
Coastal Bermudagrass Sprigs	30	Bushel	\$0.75	\$22.50	\$2,250.00
Machinery Labor					
Tractors/Self-Propelled	0.39	Hour	\$12.00	\$4.68	\$468.00
Diesel Fuel					
Tractors/Self-Propelled	2.95	Gallon	\$2.15	\$6.34	\$634.25
Gasoline					
Pickup/General Use Equipment	1	Acre	\$58.86	\$58.86	\$5,886.00
Repairs & Maintenance					
Pickup/General Use Equipment	1	Acre	\$13.44	\$13.44	\$1,344.00
Tractors/Self-Propelled	1	Acre	\$5.64	\$5.64	\$564.00
Implements	1	Acre	\$5.60	\$5.60	\$560.28
Interest on Credit Line			6.50%	\$10.84	\$1,084.29
Total Variable Costs				<u>\$324.12</u>	<u>\$32,411.83</u>
Planned Returns Above Variable Costs:				(\$324.12)	(\$32,411.83)
Breakeven Price to Cover Variable Costs			n/a		
FIXED COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
Machinery Depreciation					
Pickup/General Use Equipment	1	Acre	\$25.65	\$25.65	\$2,565.00
Tractors/Self-Propelled	1	Acre	\$6.66	\$6.66	\$665.81
Implements	1	Acre	\$6.62	\$6.62	\$662.14
Equipment Investment					
Pickup/General Use Equipment	\$171.00	Dollars	6.50%	\$11.12	\$1,111.50
Tractors/Self-Propelled	\$75.33	Dollars	6.50%	\$4.90	\$489.62
Implements	\$53.79	Dollars	6.50%	\$3.50	\$349.65
Dryland Winter Garden Rent	1	Acre	\$20.00	\$20.00	\$2,000.00
Total Fixed Costs				<u>\$78.44</u>	<u>\$7,843.73</u>
Total Specified Costs				<u>\$402.56</u>	<u>\$40,255.56</u>
Returns Above Specified Costs				(\$402.56)	(\$40,255.56)
Breakeven Price to Cover Total Costs			n/a		

Example Breakeven Prices						
Example Yield Percent	Example Yield	Price Needed to Cover Example Variable Costs		Price Needed to Cover Example Total Costs		
		Own/Rent	ShareTenant	Own/Rent	ShareTenant	Landlord
75%	0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
90%	0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
100%	0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
110%	0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
125%	0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$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.