

Projections for Planning Purposes Only -- *Not to be Used without Updating*
2015 Estimated Costs and Returns per Acre
Irrigated 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	Total
Production Costs					
Custom					
Fertilizer					
Custom Sprigging	1	Acre	\$100.00	\$100.00	\$10,000.00
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
Irrigation					
Energy Cost	585.00	kWh	\$0.17	\$99.45	\$9,945.00
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
Irrigation Equipment	1	Acre	\$6.08	\$6.08	\$607.62
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%	\$14.30	\$1,430.18
Total Variable Costs				<u>\$433.10</u>	<u>\$43,310.34</u>
Planned Returns Above Variable Costs:				(\$433.10)	(\$43,310.34)
Breakeven Price to Cover Variable Costs			n/a		
FIXED COSTS					
	Quantity	Units	\$/Unit	Total	Total
Machinery Depreciation					
Pickup/General Use Equipment	1	Acre	\$25.74	\$25.74	\$2,574.00
Irrigation Equipment	1	Acre	\$48.53	\$48.53	\$4,853.31
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	\$171.60	Dollars	6.50%	\$11.15	\$1,115.40
Irrigation Equipment	\$728.00	Dollars	6.50%	\$47.32	\$4,731.98
Tractors/Self-Propelled	\$75.33	Dollars	6.50%	\$4.90	\$489.62
Implements	\$53.79	Dollars	6.50%	\$3.50	\$349.65
Irrigated Winter Garden Rent	1	Acre	\$50.00	\$50.00	\$5,000.00
Total Fixed Costs				<u>\$204.42</u>	<u>\$20,441.91</u>
Total Specified Costs				<u>\$637.52</u>	<u>\$63,752.25</u>
Returns Above Specified Costs				(\$637.52)	(\$63,752.25)
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	Share Tenant	Own/Rent	Share Tenant	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.