

Projections for Planning Purposes Only -- Not to be Used without Updating
2021 Estimated Costs and Returns per Acre
Dryland Bermudagrass Establishment
West Central Extension District - 7

| Crop Acres | | 100 | | | Enterprise | |
|---|----------|---------|----------|-----------------|--------------------|------------|
| REVENUE | Quantity | Units | \$/Unit | Total | Total | Enterprise |
| Grazing | 50.00 | Pound | \$0.45 | \$22.50 | \$2,250.00 | |
| Total Revenue | | | | \$22.50 | \$2,250.00 | |
| VARIABLE COSTS | Quantity | Units | \$/Unit | Total | Total | Enterprise |
| Production Costs | | | | | | |
| Herbicide | | | | | | |
| Herbicide-Banvell/24D | 1 | Pint | \$2.49 | \$2.49 | \$248.75 | |
| Seed | | | | | | |
| Sprigs and Sprigging | 1 | Acre | \$125.00 | \$125.00 | \$12,500.00 | |
| Fertilizer | | | | | | |
| Phos (11-52-0 DRY MAT) | 75 | Pounds | \$0.45 | \$33.89 | \$3,389.25 | |
| Nitrogen N32-liq | 40 | Pounds | \$0.38 | \$15.31 | \$1,531.20 | |
| Custom | | | | | | |
| Soil Test-Dryland | 1 | Each | \$0.25 | \$0.25 | \$25.00 | |
| Miscellaneous | | | | | | |
| Rainfall Insurance | 1 | Acre | \$23.26 | \$23.26 | \$2,326.00 | |
| Machinery Labor | | | | | | |
| Tractors/Self-Propelled | 0.51 | Hour | \$15.00 | \$7.65 | \$765.00 | |
| Other Labor | 0.06 | Hour | \$15.00 | \$0.90 | \$90.00 | |
| Diesel Fuel | | | | | | |
| Tractors/Self-Propelled | 3.79 | Gallon | \$1.50 | \$5.69 | \$568.50 | |
| Gasoline | | | | | | |
| Pickup/General Use Equipment | 1 | Acre | \$3.41 | \$3.41 | \$340.80 | |
| Repairs & Maintenance | | | | | | |
| Pickup/General Use Equipment | 1 | Acre | \$1.83 | \$1.83 | \$182.50 | |
| Tractors/Self-Propelled | 1 | Acre | \$9.11 | \$9.11 | \$911.14 | |
| Implements | 1 | Acre | \$6.38 | \$6.38 | \$637.69 | |
| Interest on Credit Line | | | 4.55% | \$4.65 | \$465.47 | |
| Total Variable Costs | | | | \$239.81 | \$23,981.31 | |
| Planned Returns Above Variable Costs: | | | | (\$217.31) | (\$21,731.31) | |
| Breakeven Price to Cover Variable Costs | | | \$4.80 | Pound | | |
| FIXED COSTS | Quantity | Units | \$/Unit | Total | Total | Enterprise |
| Machinery Depreciation | | | | | | |
| Pickup/General Use Equipment | 1 | Acre | \$3.87 | \$3.87 | \$387.00 | |
| Tractors/Self-Propelled | 1 | Acre | \$10.12 | \$10.12 | \$1,012.23 | |
| Implements | 1 | Acre | \$9.21 | \$9.21 | \$921.16 | |
| Equipment Investment | | | | | | |
| Pickup/General Use Equipment | \$21.45 | Dollars | 5.50% | \$1.18 | \$117.98 | |
| Tractors/Self-Propelled | \$78.35 | Dollars | 5.50% | \$4.31 | \$430.93 | |
| Implements | \$39.47 | Dollars | 5.50% | \$2.17 | \$217.10 | |
| Rent-Dryland Crop | 1 | Acre | \$35.00 | \$35.00 | \$3,500.00 | |
| Total Fixed Costs | | | | \$65.86 | \$6,586.40 | |
| Total Specified Costs | | | | \$305.68 | \$30,567.70 | |
| Returns Above Specified Costs | | | | (\$283.18) | (\$28,317.70) | |
| Breakeven Price to Cover Total Costs | | | \$6.11 | Pound | | |

| Example Breakeven Prices | | | |
|--------------------------|---------|----------|----------|
| Example | Example | To Cover | To Cover |
| Yield | Yield | Variable | Total |
| Percent | Pound | Costs | Costs |
| 75% | 37.50 | \$6.40 | \$8.15 |
| 90% | 45.00 | \$5.33 | \$6.79 |
| 100% | 50.00 | \$4.80 | \$6.11 |
| 110% | 55.00 | \$4.36 | \$5.56 |
| 125% | 62.50 | \$3.84 | \$4.89 |

Developed by Bill Thompson, Assistant Professor and Extension Economist, Texas A&M AgriLife Extension Service, 325-653-4576.

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.