

Projections for Planning Purposes Only -- Not to be Used without Updating
2014 Estimated Costs and Returns per Acre
Irrigated Coastal Bermudagrass Establishment - 100 Acres
Southwest Extension District - 10

Crop Acres		100			
REVENUE	Quantity	Units	\$/Unit	Total	Enterprise Total
Total Revenue				\$0.00	\$0.00
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
Production Costs					
Seed					
Coastal Bermudagrass Sprigs	30	Bushel	\$0.75	\$22.50	\$2,250.00
Fertilizer					
Fertilizer 22-6-17	353	Pound	\$0.22	\$75.97	\$7,597.00
Herbicide					
Prowl H2O	4	Pint	\$4.63	\$18.52	\$1,852.00
Custom					
Custom Sprigging	1	Acre	\$100.00	\$100.00	\$10,000.00
Irrigation					
Energy or Water Cost	407.24	kWh	\$0.18	\$73.30	\$7,330.34
Machinery Labor					
Tractors/Self-Propelled	0.33	Hour	\$12.00	\$3.96	\$396.00
Diesel Fuel					
Tractors/Self-Propelled	2.35	Gallon	\$2.85	\$6.70	\$669.75
Gasoline					
Pickup/General Use Equipment	1	Acre	\$65.86	\$65.86	\$6,586.00
Repairs & Maintenance					
Pickup/General Use Equipment	1	Acre	\$13.44	\$13.44	\$1,344.00
Irrigation Equipment	1	Acre	\$4.23	\$4.23	\$423.00
Tractors/Self-Propelled	1	Acre	\$0.85	\$0.85	\$84.78
Implements	1	Acre	\$1.21	\$1.21	\$121.47
Interest on Credit Line			6.50%	\$12.92	\$1,292.46
Total Variable Costs				\$399.47	\$39,946.79
Planned Returns Above Variable Costs:				(\$399.47)	(\$39,946.79)
Breakeven Price to Cover Variable Costs			n/a		
FIXED COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
Machinery Depreciation					
Pickup/General Use Equipment	1	Acre	\$25.74	\$25.74	\$2,574.00
Irrigation Equipment	1	Acre	\$34.75	\$34.75	\$3,475.12
Tractors/Self-Propelled	1	Acre	\$3.69	\$3.69	\$369.13
Implements	1	Acre	\$1.94	\$1.94	\$193.56
Equipment Investment					
Pickup/General Use Equipment	\$171.60	Dollars	6.50%	\$11.15	\$1,115.40
Irrigation Equipment	\$521.27	Dollars	6.50%	\$33.88	\$3,388.24
Tractors/Self-Propelled	\$45.22	Dollars	6.50%	\$2.94	\$293.90
Implements	\$28.95	Dollars	6.50%	\$1.88	\$188.19
Irrigated Winter Garden Rent	1	Acre	\$50.00	\$50.00	\$5,000.00
Total Fixed Costs				\$165.98	\$16,597.55
Total Specified Costs				\$565.44	\$56,544.34
Returns Above Specified Costs				(\$565.44)	(\$56,544.34)
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.