

Projections for Planning Purposes Only -- *Not to be Used without Updating*
2016 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	Enterprise	
Production Costs						
Custom						
Custom Sprigging	1	Acre	\$100.00	\$100.00	\$10,000.00	
Fertilizer						
Fertilizer 22-6-17	353	Pound	\$0.20	\$70.60	\$7,060.00	
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	\$2.10	\$6.20	\$619.50	
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	\$608.40	
Tractors/Self-Propelled	1	Acre	\$5.49	\$5.49	\$548.99	
Implements	1	Acre	\$5.60	\$5.60	\$560.28	
Interest on Credit Line			6.50%	\$13.50	\$1,349.52	
Total Variable Costs				\$426.64	\$42,663.70	
Planned Returns Above Variable Costs:				(\$426.64)	(\$42,663.70)	
Breakeven Price to Cover Variable Costs			n/a			
FIXED COSTS	Quantity	Units	\$/Unit	Total	Enterprise	
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	\$666.46	
Implements	1	Acre	\$6.62	\$6.62	\$662.14	
Equipment Investment						
Pickup/General Use Equipment	\$107.25	Dollars	6.50%	\$6.97	\$697.13	
Irrigation Equipment	\$364.00	Dollars	6.50%	\$23.66	\$2,365.99	
Tractors/Self-Propelled	\$51.77	Dollars	6.50%	\$3.37	\$336.50	
Implements	\$30.62	Dollars	6.50%	\$1.99	\$199.02	
Irrigated Winter Garden Rent	1	Acre	\$50.00	\$50.00	\$5,000.00	
Total Fixed Costs				\$173.55	\$17,354.55	
Total Specified Costs				\$600.18	\$60,018.25	
Returns Above Specified Costs				(\$600.18)	(\$60,018.25)	
Breakeven Price to Cover Total Costs			n/a			

Example Breakeven Prices			
Example Yield Percent	Example Yield	Price Needed to Cover Your Variable Costs	Price Needed to Cover Your Total Costs
75%	0.00	\$0.00	\$0.00
90%	0.00	\$0.00	\$0.00
100%	0.00	\$0.00	\$0.00
110%	0.00	\$0.00	\$0.00
125%	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.