

**Projections for Planning Purposes Only -- *Not to be Used without Updating***  
**2017 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	
<b>Production Costs</b>						
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	\$5.63	\$22.52	\$2,252.00	
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	2.91	Gallon	\$1.83	\$5.33	\$532.53	
Gasoline						
Pickup/General Use Equipment	1	Acre	\$20.66	\$20.66	\$2,065.62	
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	\$6.04	\$6.04	\$604.20	
Implements	1	Acre	\$5.74	\$5.74	\$573.57	
Interest on Credit Line			6.50%	\$13.56	\$1,356.38	
Total Variable Costs				\$390.60	\$39,059.70	
Planned Returns Above Variable Costs:				(\$390.60)	(\$39,059.70)	
Breakeven Price to Cover Variable Costs			n/a			
FIXED COSTS	Quantity	Units	\$/Unit	Total	Enterprise	
<b>Machinery Depreciation</b>						
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	\$7.11	\$7.11	\$711.44	
Implements	1	Acre	\$6.86	\$6.86	\$685.74	
<b>Equipment Investment</b>						
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	\$55.00	Dollars	6.50%	\$3.57	\$357.49	
Implements	\$31.22	Dollars	6.50%	\$2.03	\$202.90	
Irrigated Winter Garden Rent	1	Acre	\$50.00	\$50.00	\$5,000.00	
Total Fixed Costs				\$174.48	\$17,448.00	
Total Specified Costs				\$565.08	\$56,507.70	
Returns Above Specified Costs				(\$565.08)	(\$56,507.70)	
Breakeven Price to Cover Total Costs			n/a			

Example Breakeven Prices			
Example Yield Percent	Example Yield	To Cover Variable Costs	To Cover 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, 830-278-9151.

**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.**