

Projections for Planning Purposes Only -- *Not to be Used without Updating*
2019 Estimated Costs and Returns per Acre
Coastal Bermudagrass Establishment - Farmland
Central Texas Extension District - 8

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 Sprig	1	Acre	\$60.00	\$60.00		\$6,000.00
Fertilizer						
18-46-0	100	Pound	\$0.26	\$26.00		\$2,600.00
46-0-0	100	Pound	\$0.20	\$20.00		\$2,000.00
Seed						
Bermuda Sprigs	30	Bushel	\$1.00	\$30.00		\$3,000.00
Machinery Labor						
Tractors/Self-Propelled	0.72	Hour	\$10.00	\$7.20		\$720.00
Diesel Fuel						
Tractors/Self-Propelled	2.33	Gallon	\$2.40	\$5.59		\$559.20
Repairs & Maintenance						
Tractors/Self-Propelled	1	Acre	\$2.83	\$2.83		\$282.95
Implements	1	Acre	\$3.76	\$3.76		\$375.85
Interest on Credit Line			4.75%	\$3.50		\$350.47
Total Variable Costs				<u>\$158.88</u>		<u>\$15,888.47</u>
Planned Returns Above Variable Costs:				<u>(\$158.88)</u>		<u>(\$15,888.47)</u>
Breakeven Price to Cover Variable Costs			n/a			
FIXED COSTS	Quantity	Units	\$/Unit	Total		Enterprise
Machinery Depreciation						
Tractors/Self-Propelled	1	Acre	\$2.34	\$2.34		\$233.90
Implements	1	Acre	\$4.40	\$4.40		\$439.90
Equipment Investment						
Tractors/Self-Propelled	\$18.22	Dollars	6.00%	\$1.09		\$109.33
Implements	\$22.58	Dollars	6.00%	\$1.35		\$135.48
Total Fixed Costs				<u>\$9.19</u>		<u>\$918.62</u>
Total Specified Costs				<u>\$168.07</u>		<u>\$16,807.10</u>
Returns Above Specified Costs				(\$168.07)		(\$16,807.10)
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 Jason Johnson, Associate Professor and Extension Economist, Texas A&M AgriLife Extension, 254-968-4144.

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.