

Projections for Planning Purposes Only -- Not to be Used without Updating
2020 Estimated Costs and Returns per Acre
Irrigated Coastal Bermudagrass Establishment
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						
Fertilizer						
Fertilizer 22-6-17	353	Pound	\$0.20	\$70.60	\$7,060.00	
Custom						
Custom Sprigging	1	Acre	\$100.00	\$100.00	\$10,000.00	
Herbicide						
Prowl H2O	4	Pint	\$6.02	\$24.08	\$2,407.60	
Seed						
Coastal Bermudagrass Sprigs	30	Bushel	\$0.75	\$22.50	\$2,250.00	
Irrigation						
Energy Cost	594.00	kWh	\$0.17	\$100.98	\$10,098.00	
Irrigation Labor	0.07	Hour	\$11.00	\$0.79	\$79.20	
Machinery Labor						
Tractors/Self-Propelled	0.39	Hour	\$12.00	\$4.68	\$468.00	
Diesel Fuel						
Tractors/Self-Propelled	2.88	Gallon	\$2.49	\$7.17	\$717.12	
Gasoline						
Pickup/General Use Equipment	1	Acre	\$23.62	\$23.62	\$2,362.12	
Repairs & Maintenance						
Pickup/General Use Equipment	1	Acre	\$13.44	\$13.44	\$1,344.00	
Irrigation Equipment	1	Acre	\$5.60	\$5.60	\$559.90	
Tractors/Self-Propelled	1	Acre	\$6.73	\$6.73	\$673.46	
Implements	1	Acre	\$6.17	\$6.17	\$616.92	
Interest on Credit Line			6.50%	\$13.76	\$1,375.56	
Total Variable Costs				\$400.12	\$40,011.87	
Planned Returns Above Variable Costs:						
Breakeven Price to Cover Variable Costs			n/a	(\$400.12)	(\$40,011.87)	
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	\$98.31	\$98.31	\$9,831.25	
Tractors/Self-Propelled	1	Acre	\$8.02	\$8.02	\$801.78	
Implements	1	Acre	\$7.43	\$7.43	\$743.09	
Equipment Investment						
Pickup/General Use Equipment	\$107.25	Dollars	6.50%	\$6.97	\$697.13	
Irrigation Equipment	\$788.13	Dollars	6.50%	\$51.23	\$5,122.81	
Tractors/Self-Propelled	\$61.95	Dollars	6.50%	\$4.03	\$402.67	
Implements	\$33.67	Dollars	6.50%	\$2.19	\$218.85	
Irrigated Winter Garden Rent	1	Acre	\$50.00	\$50.00	\$5,000.00	
Total Fixed Costs				\$253.92	\$25,391.57	
Total Specified Costs				\$654.03	\$65,403.45	
Returns Above Specified Costs				(\$654.03)	(\$65,403.45)	
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.