

Projections for Planning Purposes Only -- Not to be Used without Updating
2014 Estimated Costs and Returns per Acre
Grapefruit, Year 6, Orchard Establishment, Flood Irrigated, Rio Grande Valley - 100 Acres
South Extension District - 12

Crop Acres		100				Enterprise
REVENUE	Quantity	Units	\$/Unit	Total	Total	Total
Grapefruit (Rio Red)	12.00	Ton	\$120.00	\$1,440.00	\$144,000.00	\$144,000.00
Total Revenue				\$1,440.00	\$144,000.00	\$144,000.00
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Total	Enterprise
Production Costs						
Fertilizer						
Ammonium Sulfate (21% N)	3.57	CWT	\$20.70	\$73.90	\$7,389.90	\$7,389.90
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Herbicide						
Simazine 4L	1.25	Gallon	\$22.88	\$28.60	\$2,860.00	\$2,860.00
Krovar I 80 DF	3	Pound	\$13.50	\$40.50	\$4,050.00	\$4,050.00
Insecticide						
Vydate	0.0625	Gallon	\$106.24	\$6.64	\$664.00	\$664.00
Vendex	2	Pound	\$18.53	\$37.06	\$3,706.00	\$3,706.00
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Lorsban 4E	4	Pint	\$4.76	\$19.04	\$1,904.00	\$1,904.00
Citrus Oil	5	Gallon	\$3.42	\$17.10	\$1,710.00	\$1,710.00
Agri-Mek	0.1	Gallon	\$108.16	\$10.82	\$1,081.60	\$1,081.60
Vendex	2	Pound	\$18.53	\$37.06	\$3,706.00	\$3,706.00
Lorsban 4E	4	Pint	\$4.76	\$19.04	\$1,904.00	\$1,904.00
Other Chemicals						
Surfactant - Citrus	1	Pint	\$1.25	\$1.25	\$125.00	\$125.00
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Miscellaneous						
Insurance, Established Grapefruit	1	Acre	\$115.00	\$115.00	\$11,500.00	\$11,500.00
Custom						
Custom Fertilize Citrus	1	Acre	\$4.40	\$4.40	\$440.00	\$440.00
Custom Orchard Spray	1	Acre	\$38.50	\$38.50	\$3,850.00	\$3,850.00
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Custom Orchard Spray	1	Acre	\$38.50	\$38.50	\$3,850.00	\$3,850.00
Custom Fertilize Citrus	1	Acre	\$4.40	\$4.40	\$440.00	\$440.00
Custom Orchard Spray	1	Acre	\$38.50	\$38.50	\$3,850.00	\$3,850.00
Irrigation						
Energy or Water Cost	1.20	Acre/Foot	\$20.00	\$24.00	\$2,400.00	\$2,400.00
Irrigation Labor	3.00	Hour	\$9.00	\$27.00	\$2,700.00	\$2,700.00
Other Labor						
Unallocated Labor	0.0122	Hour	\$9.00	\$0.11	\$10.98	\$10.98
Machinery Labor						
Tractors/Self-Propelled	0.18	Hour	\$9.00	\$1.62	\$162.00	\$162.00
Diesel Fuel						
Tractors/Self-Propelled	0.94	Gallon	\$3.25	\$3.06	\$305.50	\$305.50
Repairs & Maintenance						
Tractors/Self-Propelled	1	Acre	\$0.65	\$0.65	\$64.72	\$64.72
Implements	1	Acre	\$0.28	\$0.28	\$27.67	\$27.67
Interest on Credit Line			9.00%	\$39.32	\$3,932.14	\$3,932.14
Total Variable Costs				\$777.04	\$77,704.40	\$77,704.40
Planned Returns Above Variable Costs:				\$662.96	\$66,295.60	\$66,295.60
Breakeven Price to Cover Variable Costs			\$64.75	Ton		
FIXED COSTS	Quantity	Units	\$/Unit	Total	Total	Enterprise
Machinery Depreciation						
Tractors/Self-Propelled	1	Acre	\$1.08	\$1.08	\$107.87	\$107.87
Implements	1	Acre	\$0.28	\$0.28	\$27.67	\$27.67
Equipment Investment						
Tractors/Self-Propelled	\$15.10	Dollars	9.00%	\$1.36	\$135.91	\$135.91
Implements	\$2.21	Dollars	9.00%	\$0.20	\$19.92	\$19.92
Allocated Establishment Cost	1	Acre	\$254.04	\$254.04	\$25,404.00	\$25,404.00
Land Cost, Orchard	1	Acre	\$120.00	\$120.00	\$12,000.00	\$12,000.00
Total Fixed Costs				\$376.95	\$37,695.37	\$37,695.37
Total Specified Costs				\$1,154.00	\$115,399.78	\$115,399.78
Returns Above Specified Costs				\$286.00	\$28,600.22	\$28,600.22
Breakeven Price to Cover Total Costs			\$96.17	Ton		

Example Breakeven Prices						
Example Yield Percent	Example Yield Ton	Price Needed to Cover Example Variable Costs		Price Needed to Cover Example Total Costs		
		Own/Rent	Share/Tenant	Own/Rent	Share/Tenant	Landlord
75%	9.00	\$86.34	\$86.34	\$128.22	\$128.22	\$0.00
90%	10.80	\$71.95	\$71.95	\$106.85	\$106.85	\$0.00
100%	12.00	\$64.75	\$64.75	\$96.17	\$96.17	\$0.00
110%	13.20	\$58.87	\$58.87	\$87.42	\$87.42	\$0.00
125%	15.00	\$51.80	\$51.80	\$76.93	\$76.93	\$0.00

Developed by Luis Ribera, 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.