

Projections for Planning Purposes Only -- Not to be Used without Updating
2016 Estimated Costs and Returns per Acre
Pecan, Drip Irrigated Years 10-20 - 120 Acres
Southwest Extension District - 10

Crop Acres		120				Enterprise
REVENUE	Quantity	Units	\$/Unit	Total	Total	
Pecans	950.00	Pound	\$2.75	\$2,612.50	\$313,500.00	
Total Revenue				\$2,612.50	\$313,500.00	
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total	
Production Costs						
Fertilizer						
Fertilizer 11-52-0	80	Pound	\$0.29	\$23.20	\$2,784.00	
N-32 in Water	274.5	Pound	\$0.17	\$46.67	\$5,599.80	
Zinc, Chelated 10%	20	Pint	\$1.31	\$26.20	\$3,144.00	
Custom						
Hedging	0.33	Acre	\$100.00	\$33.00	\$3,960.00	
Miscellaneous						
Miscellaneous Pecan Overhead	1	Acre	\$4.00	\$4.00	\$480.00	
Crop Insurance - Pecans	1	Acre	\$118.00	\$118.00	\$14,160.00	
Electricity - Pecan Cleaning	641.25	KWhour	\$0.17	\$109.01	\$13,081.50	
Pecan Cleaning Repairs	950	Pound	\$0.17	\$161.09	\$19,330.80	
Insecticide						
Confirm 2F	12	Ounce	\$1.95	\$23.40	\$2,808.00	
Lorsban 4E	4.5	Pint	\$5.03	\$22.64	\$2,716.20	
Herbicide						
Glyphosate	16.98	Pint	\$2.00	\$33.96	\$4,075.20	
Other Labor						
Pecan Cleaning	2.85	Hour	\$8.50	\$24.23	\$2,907.00	
Irrigation						
Energy Cost	2192.33	kWh	\$0.11	\$232.94	\$27,952.26	
Machinery Labor						
Tractors/Self-Propelled	3.74	Hour	\$12.00	\$44.88	\$5,385.60	
Diesel Fuel						
Tractors/Self-Propelled	16.05	Gallon	\$2.10	\$33.71	\$4,044.60	
Gasoline						
Pickup/General Use Equipment	1	Acre	\$57.60	\$57.60	\$6,911.42	
Tractors/Self-Propelled	0.7366076	Gallon	\$2.00	\$1.47	\$176.79	
Repairs & Maintenance						
Pickup/General Use Equipment	1	Acre	\$14.40	\$14.40	\$1,728.00	
Irrigation Equipment	1	Acre	\$16.08	\$16.08	\$1,929.60	
Tractors/Self-Propelled	1	Acre	\$9.41	\$9.41	\$1,129.27	
Implements	1	Acre	\$11.24	\$11.24	\$1,348.42	
Interest on Credit Line			6.50%	\$26.90	\$3,228.54	
Total Variable Costs				\$1,074.01	\$128,881.00	
Planned Returns Above Variable Costs:				\$1,538.49	\$184,619.00	
Breakeven Price to Cover Variable Costs			\$1.13	Pound		
FIXED COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total	
Machinery Depreciation						
Irrigation Equipment	1	Acre	\$59.07	\$59.07	\$7,088.16	
Tractors/Self-Propelled	1	Acre	\$23.17	\$23.17	\$2,780.11	
Implements	1	Acre	\$6.81	\$6.81	\$817.37	
Equipment Investment						
Irrigation Equipment	\$112.23	Dollars	6.50%	\$7.29	\$875.39	
Tractors/Self-Propelled	\$214.39	Dollars	6.50%	\$13.94	\$1,672.27	
Implements	\$65.33	Dollars	6.50%	\$4.25	\$509.60	
Equipment Fixed Costs						
Pickup/General Use Equipment	1	Acre	\$48.44	\$48.44	\$5,812.80	
Allocated Establishment Cost	1	Acre	\$311.01	\$311.01	\$37,321.20	
Irrigated Winter Garden Rent	1	Acre	\$50.00	\$50.00	\$6,000.00	
Total Fixed Costs				\$523.97	\$62,876.89	
Total Specified Costs				\$1,597.98	\$191,757.89	
Returns Above Specified Costs				\$1,014.52	\$121,742.11	
Breakeven Price to Cover Total Costs			\$1.68	Pound		

Example Breakeven Prices			
Example Yield Percent	Example Yield Pound	Price Needed to Cover Your Variable Costs	Price Needed to Cover Your Total Costs
75%	712.50	\$1.51	\$2.24
90%	855.00	\$1.26	\$1.87
100%	950.00	\$1.13	\$1.68
110%	1045.00	\$1.03	\$1.53
125%	1187.50	\$0.90	\$1.35

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.