

Projections for Planning Purposes Only -- Not to be Used without Updating
2016 Estimated Costs and Returns per Acre
Grapefruit, Year 7, 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)	18.00	Ton	\$120.00	\$2,160.00	\$216,000.00	\$216,000.00
Total Revenue				\$2,160.00	\$216,000.00	\$216,000.00
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Total	Enterprise
Production Costs						
Fertilizer						
Ammonium Sulfate (21% N)	7.14	CWT	\$18.25	\$130.31	\$13,030.50	\$13,030.50
Custom						
Custom Fertilize Citrus	2	Acre	\$4.40	\$8.80	\$880.00	\$880.00
Custom Orchard Spray	4	Acre	\$38.50	\$154.00	\$15,400.00	\$15,400.00
Miscellaneous						
Insurance, Established Grapefruit	1	Acre	\$115.00	\$115.00	\$11,500.00	\$11,500.00
Insecticide						
Vendex	6	Pound	\$36.00	\$216.00	\$21,600.00	\$21,600.00
Lorsban 4E	8	Pint	\$6.11	\$48.88	\$4,888.00	\$4,888.00
Citrus Oil	5	Gallon	\$8.20	\$41.00	\$4,100.00	\$4,100.00
Admire Pro	0.875	Pint	\$26.67	\$23.34	\$2,333.63	\$2,333.63
Agri-Mek SC	0.078	Gallon	\$480.68	\$37.49	\$3,749.30	\$3,749.30
Provado	20	Ounce	\$1.03	\$20.60	\$2,060.00	\$2,060.00
Herbicide						
Simazine 4L	1.25	Gallon	\$20.40	\$25.50	\$2,550.00	\$2,550.00
Krovar I 80 DF	3	Pound	\$14.88	\$44.64	\$4,464.00	\$4,464.00
Other Chemicals						
Surfactant - Citrus	2	Pint	\$3.60	\$7.20	\$720.00	\$720.00
Other Labor						
Unallocated Labor	0.0122	Hour	\$12.00	\$0.15	\$14.64	\$14.64
Irrigation						
Water Cost	1.20	Acre/Foot	\$20.00	\$24.00	\$2,400.00	\$2,400.00
Irrigation Labor	3.00	Hour	\$12.00	\$36.00	\$3,600.00	\$3,600.00
Machinery Labor						
Tractors/Self-Propelled	0.24	Hour	\$12.00	\$2.88	\$288.00	\$288.00
Diesel Fuel						
Tractors/Self-Propelled	1.21	Gallon	\$2.10	\$2.54	\$254.10	\$254.10
Repairs & Maintenance						
Tractors/Self-Propelled	1	Acre	\$2.33	\$2.33	\$232.91	\$232.91
Implements	1	Acre	\$0.35	\$0.35	\$34.77	\$34.77
Interest on Credit Line			5.00%	\$26.60	\$2,660.39	\$2,660.39
Total Variable Costs				\$967.60	\$96,760.23	\$96,760.23
Planned Returns Above Variable Costs:				\$1,192.40	\$119,239.77	\$119,239.77
Breakeven Price to Cover Variable Costs			\$53.76	Ton		
FIXED COSTS	Quantity	Units	\$/Unit	Total	Total	Enterprise
Machinery Depreciation						
Tractors/Self-Propelled	1	Acre	\$2.41	\$2.41	\$240.67	\$240.67
Implements	1	Acre	\$0.31	\$0.31	\$31.29	\$31.29
Equipment Investment						
Tractors/Self-Propelled	\$18.75	Dollars	7.00%	\$1.31	\$131.24	\$131.24
Implements	\$1.34	Dollars	7.00%	\$0.09	\$9.37	\$9.37
Allocated Establishment Cost						
Land Cost, Orchard	1	Acre	\$254.04	\$254.04	\$25,404.00	\$25,404.00
	1	Acre	\$120.00	\$120.00	\$12,000.00	\$12,000.00
Total Fixed Costs				\$378.17	\$37,816.58	\$37,816.58
Total Specified Costs				\$1,345.77	\$134,576.81	\$134,576.81
Returns Above Specified Costs				\$814.23	\$81,423.19	\$81,423.19
Breakeven Price to Cover Total Costs			\$74.76	Ton		

Example Breakeven Prices			
Example Yield Percent	Example Yield Ton	Price Needed to Cover Your Variable Costs	Price Needed to Cover Your Total Costs
75%	13.50	\$71.67	\$99.69
90%	16.20	\$59.73	\$83.07
100%	18.00	\$53.76	\$74.76
110%	19.80	\$48.87	\$67.97
125%	22.50	\$43.00	\$59.81

Developed by Samuel Zapata, Assistant 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.