

Projections for Planning Purposes Only -- Not to be Used without Updating
2014 Estimated Costs and Returns per Acre
Pecan (Operational) - 100 Acres
Southwest Extension District - 10

Crop Acres		100				Enterprise
REVENUE	Quantity	Units	\$/Unit	Total	Total	Total
Pecans	950.00	Pound	\$2.25	\$2,137.50		\$213,750.00
Total Revenue				\$2,137.50		\$213,750.00
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Total	Enterprise
Production Costs						
Fertilizer						
Fertilizer 11-52-0	80	Pound	\$0.26	\$20.80		\$2,080.00
N-32 in Water	140.5	Pound	\$0.17	\$23.89		\$2,388.50
N-32 in Water	32	Pound	\$0.17	\$5.44		\$544.00
N-32 in Water	34	Pound	\$0.17	\$5.78		\$578.00
Zinc, Chelated 10%	4	Pint	\$1.13	\$4.50		\$450.00
N-32 in Water	17	Pound	\$0.17	\$2.89		\$289.00
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Herbicide						
Glyphosate	2.83	Pint	\$2.25	\$6.37		\$636.75
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Insecticide						
Confirm 2F	12	Ounce	\$1.54	\$18.48		\$1,848.00
Lorsban 4E	2.5	Pint	\$5.25	\$13.13		\$1,312.50
Other Chemicals						
Crop Oil Concentrate	8	Pint	\$2.50	\$20.00		\$2,000.00
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Miscellaneous						
Miscellaneous Pecan Overhead	1	Acre	\$4.00	\$4.00		\$400.00
Electricity - Pecan Cleaning	641.25	KW/hour	\$0.18	\$115.43		\$11,542.50
Pecan Cleaning Repairs	950	Pound	\$0.17	\$161.09		\$16,109.00
Custom						
Hedging	0.33	Acre	\$100.00	\$33.00		\$3,300.00
Irrigation						
Energy or Water Cost	35.21	Mcf	\$4.25	\$149.63		\$14,962.98
Irrigation Labor	0.78	Hour	\$11.00	\$8.60		\$859.76
Other Labor						
Pecan Cleaning	2.85	Hour	\$10.00	\$28.50		\$2,850.00
Machinery Labor						
Tractors/Self-Propelled	3.85	Hour	\$12.00	\$46.20		\$4,620.00
Diesel Fuel						
Tractors/Self-Propelled	16.57	Gallon	\$2.85	\$47.22		\$4,722.45
Gasoline						
Pickup/General Use Equipment	1	Acre	\$157.60	\$157.60		\$15,760.00
Tractors/Self-Propelled	0.7317073	Gallon	\$2.45	\$1.79		\$179.27
Repairs & Maintenance						
Pickup/General Use Equipment	1	Acre	\$32.16	\$32.16		\$3,216.00
Irrigation Equipment	1	Acre	\$16.40	\$16.40		\$1,640.00
Tractors/Self-Propelled	1	Acre	\$7.84	\$7.84		\$783.72
Implements	1	Acre	\$11.57	\$11.57		\$1,157.12
Interest on Credit Line			6.50%	\$17.99		\$1,799.30
Total Variable Costs				\$1,141.69		\$114,168.59
Planned Returns Above Variable Costs:				\$995.81		\$99,581.41
Breakeven Price to Cover Variable Costs			\$1.20	Pound		
FIXED COSTS	Quantity	Units	\$/Unit	Total	Total	Enterprise
Machinery Depreciation						
Pickup/General Use Equipment	1	Acre	\$21.30	\$21.30		\$2,130.10
Irrigation Equipment	1	Acre	\$26.93	\$26.93		\$2,692.80
Tractors/Self-Propelled	1	Acre	\$24.14	\$24.14		\$2,413.67
Implements	1	Acre	\$7.39	\$7.39		\$739.18
Equipment Investment						
Pickup/General Use Equipment	\$417.52	Dollars	6.50%	\$27.14		\$2,713.88
Irrigation Equipment	\$403.92	Dollars	6.50%	\$26.25		\$2,625.48
Tractors/Self-Propelled	\$329.80	Dollars	6.50%	\$21.44		\$2,143.69
Implements	\$108.49	Dollars	6.50%	\$7.05		\$705.17
Allocated Establishment Cost	1	Acre	\$101.55	\$101.55		\$10,155.00
Irrigated Winter Garden Rent	1	Acre	\$50.00	\$50.00		\$5,000.00
Total Fixed Costs				\$313.19		\$31,318.97
Total Specified Costs				\$1,454.88		\$145,487.56
Returns Above Specified Costs				\$682.62		\$68,262.44
Breakeven Price to Cover Total Costs			\$1.53	Pound		

Example Breakeven Prices						
Example Yield Percent	Example Yield Pound	Price Needed to Cover Example Variable Costs		Price Needed to Cover Example Total Costs		
		Own/Rent	Share/Tenant	Own/Rent	Share/Tenant	Landlord
75%	712.50	\$1.60	\$1.60	\$2.04	\$2.04	\$0.00
90%	855.00	\$1.34	\$1.34	\$1.70	\$1.70	\$0.00
100%	950.00	\$1.20	\$1.20	\$1.53	\$1.53	\$0.00
110%	1045.00	\$1.09	\$1.09	\$1.39	\$1.39	\$0.00
125%	1187.50	\$0.96	\$0.96	\$1.23	\$1.23	\$0.00

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.