

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

Crop Acres		100			
REVENUE	Quantity	Units	\$/Unit	Total	Enterprise Total
Oranges (Valencias)	18.00	Ton	\$150.00	\$2,700.00	\$270,000.00
Total Revenue				\$2,700.00	\$270,000.00
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
Production Costs					
Fertilizer					
Ammonium Sulfate (21% N)	3.57	CWT	\$20.70	\$73.90	\$7,389.90
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Herbicide					
Simazine 4L	1.25	Gallon	\$22.88	\$28.60	\$2,860.00
Krovar I 80 DF	3	Pound	\$13.50	\$40.50	\$4,050.00
Insecticide					
Vydate	0.0625	Gallon	\$106.24	\$6.64	\$664.00
Vendex	2	Pound	\$18.53	\$37.06	\$3,706.00
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Lorsban 4E	4	Pint	\$4.76	\$19.04	\$1,904.00
Citrus Oil	5	Gallon	\$3.42	\$17.10	\$1,710.00
Agri-Mek	0.1	Gallon	\$108.16	\$10.82	\$1,081.60
Vendex	2	Pound	\$18.53	\$37.06	\$3,706.00
Lorsban 4E	4	Pint	\$4.76	\$19.04	\$1,904.00
Other Chemicals					
Surfactant - Citrus	1	Pint	\$1.25	\$1.25	\$125.00
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Miscellaneous					
Insurance, Established Oranges	1	Acre	\$85.00	\$85.00	\$8,500.00
Custom					
Custom Fertilize Citrus	1	Acre	\$4.40	\$4.40	\$440.00
Hedging or Topping	0.5	Acre	\$66.00	\$33.00	\$3,300.00
Custom Orchard Spray	1	Acre	\$38.50	\$38.50	\$3,850.00
Spot Herbicide Spray	1	Application	\$24.00	\$24.00	\$2,400.00
Custom Orchard Spray	1	Acre	\$38.50	\$38.50	\$3,850.00
Custom Orchard Spray	1	Acre	\$38.50	\$38.50	\$3,850.00
Custom Fertilize Citrus	1	Acre	\$4.40	\$4.40	\$440.00
Custom Orchard Spray	1	Acre	\$38.50	\$38.50	\$3,850.00
Irrigation					
Energy or Water Cost	1.60	Acre/Foot	\$20.00	\$32.00	\$3,200.00
Irrigation Labor	4.00	Hour	\$9.00	\$36.00	\$3,600.00
Other Labor					
Unallocated Labor	0.0122	Hour	\$9.00	\$0.11	\$10.98
Machinery Labor					
Tractors/Self-Propelled	0.18	Hour	\$9.00	\$1.62	\$162.00
Diesel Fuel					
Tractors/Self-Propelled	0.94	Gallon	\$3.25	\$3.06	\$305.50
Repairs & Maintenance					
Tractors/Self-Propelled	1	Acre	\$0.65	\$0.65	\$64.72
Implements	1	Acre	\$0.28	\$0.28	\$27.67
Interest on Credit Line			9.00%	\$39.48	\$3,947.90
Total Variable Costs				\$821.20	\$82,120.16
Planned Returns Above Variable Costs:				\$1,878.80	\$187,879.84
Breakeven Price to Cover Variable Costs			\$45.62	Ton	
FIXED COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
Machinery Depreciation					
Tractors/Self-Propelled	1	Acre	\$1.08	\$1.08	\$107.87
Implements	1	Acre	\$0.28	\$0.28	\$27.67
Equipment Investment					
Tractors/Self-Propelled	\$15.10	Dollars	9.00%	\$1.36	\$135.91
Implements	\$2.21	Dollars	9.00%	\$0.20	\$19.92
Allocated Establishment Cost	1	Acre	\$254.04	\$254.04	\$25,404.00
Land Cost, Orchard	1	Acre	\$120.00	\$120.00	\$12,000.00
Total Fixed Costs				\$376.95	\$37,695.37
Total Specified Costs				\$1,198.16	\$119,815.54
Returns Above Specified Costs				\$1,501.84	\$150,184.46
Breakeven Price to Cover Total Costs			\$66.56	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%	13.50	\$60.83	\$60.83	\$88.75	\$88.75	\$0.00
90%	16.20	\$50.69	\$50.69	\$73.96	\$73.96	\$0.00
100%	18.00	\$45.62	\$45.62	\$66.56	\$66.56	\$0.00
110%	19.80	\$41.47	\$41.47	\$60.51	\$60.51	\$0.00
125%	22.50	\$36.50	\$36.50	\$53.25	\$53.25	\$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.