

Projections for Planning Purposes Only -- Not to be Used without Updating
2016 Estimated Costs and Returns per Acre
Oranges, Valencias, Mature Orchard, Flood Irrigated, Rio Grande Valley - 100 Acres
South Extension District - 12

Crop Acres		100				Enterprise
REVENUE	Quantity	Units	\$/Unit	Total		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)	7.14	CWT	\$18.25	\$130.31		\$13,030.50
Custom						
Custom Fertilize Citrus	2	Acre	\$4.40	\$8.80		\$880.00
Hedging or Topping	0.5	Acre	\$66.00	\$33.00		\$3,300.00
Custom Orchard Spray	4	Acre	\$38.50	\$154.00		\$15,400.00
Spot Herbicide Spray	1	Application	\$24.00	\$24.00		\$2,400.00
Miscellaneous						
Insurance, Established Oranges	1	Acre	\$85.00	\$85.00		\$8,500.00
Herbicide						
Simazine 4L	1.25	Gallon	\$20.40	\$25.50		\$2,550.00
Krovar I 80 DF	3	Pound	\$14.88	\$44.64		\$4,464.00
Insecticide						
Vendex	6	Pound	\$36.00	\$216.00		\$21,600.00
Lorsban 4E	8	Pint	\$6.11	\$48.88		\$4,888.00
Citrus Oil	5	Gallon	\$8.20	\$41.00		\$4,100.00
Admire Pro	0.875	Pint	\$26.67	\$23.34		\$2,333.63
Agri-Mek SC	0.078	Gallon	\$480.68	\$37.49		\$3,749.30
Provado	20	Ounce	\$1.03	\$20.60		\$2,060.00
Other Chemicals						
Surfactant - Citrus	2	Pint	\$3.60	\$7.20		\$720.00
Other Labor						
Unallocated Labor	0.0122	Hour	\$12.00	\$0.15		\$14.64
Irrigation						
Water Cost	1.60	Acre/Foot	\$20.00	\$32.00		\$3,200.00
Irrigation Labor	4.00	Hour	\$12.00	\$48.00		\$4,800.00
Machinery Labor						
Tractors/Self-Propelled	0.24	Hour	\$12.00	\$2.88		\$288.00
Diesel Fuel						
Tractors/Self-Propelled	1.21	Gallon	\$2.10	\$2.54		\$254.10
Repairs & Maintenance						
Tractors/Self-Propelled	1	Acre	\$2.33	\$2.33		\$232.91
Implements	1	Acre	\$0.35	\$0.35		\$34.77
Interest on Credit Line			5.00%	\$26.96		\$2,696.11
Total Variable Costs				\$1,014.96		\$101,495.96
Planned Returns Above Variable Costs:				\$1,685.04		\$168,504.04
Breakeven Price to Cover Variable Costs			\$56.39	Ton		
FIXED COSTS	Quantity	Units	\$/Unit	Total		Enterprise Total
Machinery Depreciation						
Tractors/Self-Propelled	1	Acre	\$2.41	\$2.41		\$240.67
Implements	1	Acre	\$0.31	\$0.31		\$31.29
Equipment Investment						
Tractors/Self-Propelled	\$18.75	Dollars	7.00%	\$1.31		\$131.24
Implements	\$1.34	Dollars	7.00%	\$0.09		\$9.37
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				\$378.17		\$37,816.58
Total Specified Costs				\$1,393.13		\$139,312.53
Returns Above Specified Costs				\$1,306.87		\$130,687.47
Breakeven Price to Cover Total Costs			\$77.40	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	\$75.18	\$103.19
90%	16.20	\$62.65	\$86.00
100%	18.00	\$56.39	\$77.40
110%	19.80	\$51.26	\$70.36
125%	22.50	\$45.11	\$61.92

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.