

**Projections for Planning Purposes Only -- Not to be Used without Updating**  
**2016 Estimated Costs and Returns per Acre**  
**Watermelon, Seedless, Plastic Mulch, Drip Irrigated, Rio Grande Valley - 40 Acres**  
**South Extension District - 12**

Crop Acres		40			
REVENUE	Quantity	Units	\$/Unit	Total	Enterprise Total
Watermelon, seedless	450.00	CWT	\$18.00	\$8,100.00	\$324,000.00
<b>Total Revenue</b>				<b>\$8,100.00</b>	<b>\$324,000.00</b>
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
<b>Production Costs</b>					
Herbicide					
Trifluralin 4EC	2.75	Pint	\$3.47	\$9.54	\$381.70
Seed					
Hybrid Watermelon Seed	0.25	Pound	\$400.00	\$100.00	\$4,000.00
Watermelon Seedlings	2	Thousand	\$150.00	\$300.00	\$12,000.00
Fertilizer					
Phosphorus (46% P2O5)	1.3	CWT	\$25.00	\$32.50	\$1,300.00
UAN (32% N)	1	CWT	\$14.00	\$14.00	\$560.00
Custom					
Bee Rental	1	Hive	\$85.00	\$85.00	\$3,400.00
Harvest and Sell Watermelons	450	CWT	\$3.30	\$1,485.00	\$59,400.00
Miscellaneous					
DripTape (2 seasons)	6550	Foot	\$0.01	\$52.40	\$2,096.00
Plastic Mulch, 3x4K'	0.61	Roll	\$68.00	\$41.48	\$1,659.20
Sulfuric Acid	26	Ounce	\$0.01	\$0.39	\$15.41
Insecticide					
Asana XL	5.8	Ounce	\$0.59	\$3.42	\$136.88
Other Labor					
Transplant Melons	8	Hour	\$12.00	\$96.00	\$3,840.00
Pickup Plastic	8	Hour	\$12.00	\$96.00	\$3,840.00
Unallocated Labor	0.8992	Hour	\$12.00	\$10.79	\$431.62
Fungicides					
Bravo Ultrex	1	Pound	\$6.93	\$6.93	\$277.20
Quadris	32	Ounce	\$3.11	\$99.52	\$3,980.80
Irrigation					
Water Cost	1.13	Acre/Foot	\$20.00	\$22.68	\$907.20
Irrigation Labor	0.19	Hour	\$12.00	\$2.27	\$90.72
Machinery Labor					
Tractors/Self-Propelled	1.81	Hour	\$12.00	\$21.72	\$868.80
Diesel Fuel					
Pickup/General Use Equipment	1	Acre	\$246.96	\$246.96	\$9,878.40
Tractors/Self-Propelled	9	Gallon	\$2.10	\$18.90	\$756.00
Repairs & Maintenance					
Pickup/General Use Equipment	1	Acre	\$4.73	\$4.73	\$189.00
Tractors/Self-Propelled	1	Acre	\$16.79	\$16.79	\$671.48
Implements	1	Acre	\$9.95	\$9.95	\$397.83
Interest on Credit Line			5.00%	\$19.01	\$760.55
<b>Total Variable Costs</b>				<b>\$2,795.97</b>	<b>\$111,838.78</b>
<b>Planned Returns Above Variable Costs:</b>				<b>\$5,304.03</b>	<b>\$212,161.22</b>
Breakeven Price to Cover Variable Costs			\$6.21 CWT		
FIXED COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
Machinery Depreciation					
Pickup/General Use Equipment	1	Acre	\$47.25	\$47.25	\$1,890.00
Tractors/Self-Propelled	1	Acre	\$17.35	\$17.35	\$693.86
Implements	1	Acre	\$12.01	\$12.01	\$480.56
Equipment Investment					
Pickup/General Use Equipment	\$433.13	Dollars	7.00%	\$30.32	\$1,212.75
Tractors/Self-Propelled	\$135.13	Dollars	7.00%	\$9.46	\$378.38
Implements	\$57.35	Dollars	7.00%	\$4.01	\$160.58
Cash Rent, Irrigated Vegetables	1	Acre	\$110.00	\$110.00	\$4,400.00
<b>Total Fixed Costs</b>				<b>\$230.40</b>	<b>\$9,216.14</b>
<b>Total Specified Costs</b>				<b>\$3,026.37</b>	<b>\$121,054.92</b>
<b>Returns Above Specified Costs</b>				<b>\$5,073.63</b>	<b>\$202,945.08</b>
<b>Breakeven Price to Cover Total Costs</b>			<b>\$6.73 CWT</b>		

Example Breakeven Prices			
Example Yield Percent	Example Yield CWT	Price Needed to Cover Your Variable Costs	Price Needed to Cover Your Total Costs
75%	337.50	\$8.28	\$8.97
90%	405.00	\$6.90	\$7.47
100%	450.00	\$6.21	\$6.73
110%	495.00	\$5.65	\$6.11
125%	562.50	\$4.97	\$5.38

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.**