

Projections for Planning Purposes Only -- Not to be Used without Updating
2017 Estimated Costs and Returns per Acre
Watermelon, Open Pollinated Varieties, Dryland, Rio Grande Valley - 40 Acres
South Extension District - 12

Crop Acres		40			
REVENUE	Quantity	Units	\$/Unit	Total	Enterprise Total
Watermelon, Allsweet	250.00	CWT	\$18.00	\$4,500.00	\$180,000.00
Total Revenue				\$4,500.00	\$180,000.00
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
Production Costs					
Herbicide					
Trifluralin 4EC	2	Pint	\$3.47	\$6.94	\$277.60
Seed					
Watermelon Seed, OP	3	Pound	\$42.75	\$128.25	\$5,130.00
Fertilizer					
Fertilizer 10-34-0	1.5	CWT	\$32.50	\$48.75	\$1,950.00
Custom					
Bee Rental	1	Hive	\$85.00	\$85.00	\$3,400.00
Harvest and Sell Watermelons	250	CWT	\$3.30	\$825.00	\$33,000.00
Insecticide					
Asana XL	11.6	Ounce	\$0.59	\$6.84	\$273.76
Fungicides					
Bravo Ultrex	1	Pound	\$6.93	\$6.93	\$277.20
Quadris	32	Ounce	\$3.11	\$99.52	\$3,980.80
Other Labor					
Unallocated Labor	0.9336	Hour	\$12.00	\$11.20	\$448.13
Machinery Labor					
Tractors/Self-Propelled	1.43	Hour	\$12.00	\$17.16	\$686.40
Diesel Fuel					
Tractors/Self-Propelled	9.23	Gallon	\$2.10	\$19.38	\$775.32
Repairs & Maintenance					
Tractors/Self-Propelled	1	Acre	\$19.67	\$19.67	\$786.75
Implements	1	Acre	\$11.74	\$11.74	\$469.79
Interest on Credit Line			5.00%	\$5.25	\$210.05
Total Variable Costs				\$1,291.65	\$51,665.80
Planned Returns Above Variable Costs:				\$3,208.35	\$128,334.20
Breakeven Price to Cover Variable Costs			\$5.17 CWT		
FIXED COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
Machinery Depreciation					
Tractors/Self-Propelled	1	Acre	\$20.23	\$20.23	\$809.12
Implements	1	Acre	\$14.63	\$14.63	\$585.06
Equipment Investment					
Tractors/Self-Propelled	\$157.58	Dollars	7.00%	\$11.03	\$441.23
Implements	\$76.26	Dollars	7.00%	\$5.34	\$213.53
Cash Rent, South Texas	1	Acre	\$65.00	\$65.00	\$2,600.00
Total Fixed Costs				\$116.22	\$4,648.95
Total Specified Costs				\$1,407.87	\$56,314.75
Returns Above Specified Costs				\$3,092.13	\$123,685.25
Breakeven Price to Cover Total Costs			\$5.63 CWT		

Example Breakeven Prices			
Example Yield Percent	Example Yield CWT	To Cover Variable Costs	To Cover Total Costs
75%	187.50	\$6.89	\$7.51
90%	225.00	\$5.74	\$6.26
100%	250.00	\$5.17	\$5.63
110%	275.00	\$4.70	\$5.12
125%	312.50	\$4.13	\$4.51

Developed by Samuel Zapata, Assistant Professor and Extension Economist, Texas A&M AgriLife Extension, 956-968-5581.

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.