

Projections for Planning Purposes Only -- Not to be Used without Updating
2018 Estimated Costs and Returns per Acre
Peaches, Drip Irrigated, Years 5-20
Southwest Extension District - 10

Crop Acres		50			
REVENUE	Quantity	Units	\$/Unit	Total	Enterprise Total
Peaches	202.00	Bushel	\$40.00	\$8,080.00	\$404,000.00
Total Revenue				\$8,080.00	\$404,000.00
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
Production Costs					
Herbicide					
Glyphosate	12	Pint	\$2.25	\$27.00	\$1,350.00
Fertilizer					
Ammonium Sulfate (21% N)	2.55	CWT	\$16.00	\$40.80	\$2,040.00
Miscellaneous					
Miscellaneous Peach Overhead	1	Acre	\$4.00	\$4.00	\$200.00
Insecticide					
Dormant Oil	6.5	Gallon	\$15.98	\$103.87	\$5,193.50
Permethrin 36.8%	0.4	Ounce	\$0.50	\$0.20	\$10.00
Carbaryl 4L	2.5	Quart	\$13.30	\$33.25	\$1,662.50
Other Labor					
Hand Labor	140	Hour	\$8.50	\$1,190.00	\$59,500.00
Fungicides					
Captan 4L	3	Quart	\$6.50	\$19.50	\$975.00
Irrigation					
Energy Cost	940.80	kWh	\$0.17	\$159.94	\$7,996.80
Machinery Labor					
Tractors/Self-Propelled	1.11	Hour	\$12.00	\$13.32	\$666.00
Diesel Fuel					
Tractors/Self-Propelled	4.19	Gallon	\$2.14	\$8.97	\$448.33
Gasoline					
Pickup/General Use Equipment	1	Acre	\$82.59	\$82.59	\$4,129.57
Tractors/Self-Propelled	0.4092262	Gallon	\$2.39	\$0.98	\$48.90
Repairs & Maintenance					
Pickup/General Use Equipment	1	Acre	\$17.28	\$17.28	\$864.00
Irrigation Equipment	1	Acre	\$7.36	\$7.36	\$368.00
Tractors/Self-Propelled	1	Acre	\$9.15	\$9.15	\$457.57
Implements	1	Acre	\$2.54	\$2.54	\$127.05
Interest on Credit Line			6.50%	\$46.92	\$2,346.17
Total Variable Costs				\$1,767.67	\$88,383.39
Planned Returns Above Variable Costs:				\$6,312.33	\$315,616.61
Breakeven Price to Cover Variable Costs			\$8.75	Bushel	
FIXED COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
Machinery Depreciation					
Pickup/General Use Equipment	1	Acre	\$90.00	\$90.00	\$4,500.00
Irrigation Equipment	1	Acre	\$134.68	\$134.68	\$6,733.75
Tractors/Self-Propelled	1	Acre	\$10.80	\$10.80	\$539.89
Implements	1	Acre	\$5.33	\$5.33	\$266.37
Equipment Investment					
Pickup/General Use Equipment	\$375.00	Dollars	6.50%	\$24.38	\$1,218.75
Irrigation Equipment	\$269.35	Dollars	6.50%	\$17.51	\$875.39
Tractors/Self-Propelled	\$85.48	Dollars	6.50%	\$5.56	\$277.80
Implements	\$26.60	Dollars	6.50%	\$1.73	\$86.46
Allocated Establishment Cost	1	Acre	\$581.04	\$581.04	\$29,052.00
Irrigated Winter Garden Rent	1	Acre	\$50.00	\$50.00	\$2,500.00
Total Fixed Costs				\$921.01	\$46,050.40
Total Specified Costs				\$2,688.68	\$134,433.79
Returns Above Specified Costs				\$5,391.32	\$269,566.21
Breakeven Price to Cover Total Costs			\$13.31	Bushel	

Example Breakeven Prices			
Exmplk Yield Percent	Example Yield Bushel	To Cover Variable Costs	To Cover Total Costs
75%	151.50	\$11.67	\$17.75
90%	181.80	\$9.72	\$14.79
100%	202.00	\$8.75	\$13.31
110%	222.20	\$7.96	\$12.10
125%	252.50	\$7.00	\$10.65

Developed by Rob Hogan, Associate Professor and Extension Economist, Texas A&M AgriLife Extension, 830-278-9151.

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.