

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

Crop Acres		120				Enterprise
REVENUE	Quantity	Units	\$/Unit	Total	Total	
Pecans	950.00	Pound	\$2.50	\$2,375.00	\$285,000.00	
Total Revenue				\$2,375.00	\$285,000.00	
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total	
Production Costs						
Herbicide						
Glyphosate	16.98	Pint	\$2.25	\$38.21	\$4,584.60	
Fertilizer						
Fertilizer 11-52-0	80	Pound	\$0.25	\$20.00	\$2,400.00	
N-32 in Water	263.11	Pound	\$0.17	\$44.73	\$5,367.44	
Zinc, Chelated 10%	17.32	Pint	\$1.31	\$22.69	\$2,722.70	
Custom						
Hedging	0.33	Acre	\$100.00	\$33.00	\$3,960.00	
Miscellaneous						
Miscellaneous Pecan Overhead	1	Acre	\$4.00	\$4.00	\$480.00	
Crop Insurance - Pecans	1	Acre	\$118.00	\$118.00	\$14,160.00	
Electricity - Pecan Cleaning	641.25	KW/hour	\$0.17	\$109.01	\$13,081.50	
Pecan Cleaning Repairs	950	Pound	\$0.17	\$161.09	\$19,330.80	
Insecticide						
Confirm 2F	12	Ounce	\$1.95	\$23.40	\$2,808.00	
Lorsban 4E	4.5	Pint	\$5.03	\$22.64	\$2,716.20	
Other Labor						
Pecan Cleaning	2.85	Hour	\$8.50	\$24.23	\$2,907.00	
Irrigation						
Energy Cost	2192.32	kWh	\$0.17	\$372.69	\$44,723.33	
Machinery Labor						
Tractors/Self-Propelled	3.04	Hour	\$12.00	\$36.48	\$4,377.60	
Other Labor	0.75	Hour	\$8.50	\$6.38	\$765.00	
Diesel Fuel						
Tractors/Self-Propelled	15.45	Gallon	\$2.14	\$33.06	\$3,967.56	
Gasoline						
Pickup/General Use Equipment	1	Acre	\$34.41	\$34.41	\$4,129.57	
Tractors/Self-Propelled	0.8184524	Gallon	\$2.39	\$1.96	\$234.73	
Repairs & Maintenance						
Pickup/General Use Equipment	1	Acre	\$14.40	\$14.40	\$1,728.00	
Irrigation Equipment	1	Acre	\$16.00	\$16.00	\$1,920.47	
Tractors/Self-Propelled	1	Acre	\$26.84	\$26.84	\$3,220.70	
Implements	1	Acre	\$8.53	\$8.53	\$1,023.02	
Interest on Credit Line			6.50%	\$33.23	\$3,988.07	
Total Variable Costs				\$1,204.97	\$144,596.30	
Planned Returns Above Variable Costs:				\$1,170.03	\$140,403.70	
Breakeven Price to Cover Variable Costs			\$1.27	Pound		
FIXED COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total	
Machinery Depreciation						
Irrigation Equipment	1	Acre	\$56.11	\$56.11	\$6,733.75	
Tractors/Self-Propelled	1	Acre	\$31.71	\$31.71	\$3,805.04	
Implements	1	Acre	\$15.71	\$15.71	\$1,885.77	
Equipment Investment						
Irrigation Equipment	\$112.23	Dollars	6.50%	\$7.29	\$875.39	
Tractors/Self-Propelled	\$261.76	Dollars	6.50%	\$17.01	\$2,041.74	
Implements	\$75.55	Dollars	6.50%	\$4.91	\$589.32	
Equipment Fixed Costs						
Pickup/General Use Equipment	1	Acre	\$48.44	\$48.44	\$5,812.80	
Allocated Establishment Cost	1	Acre	\$311.01	\$311.01	\$37,321.20	
Irrigated Winter Garden Rent	1	Acre	\$50.00	\$50.00	\$6,000.00	
Total Fixed Costs				\$542.21	\$65,065.00	
Total Specified Costs				\$1,747.18	\$209,661.30	
Returns Above Specified Costs				\$627.82	\$75,338.70	
Breakeven Price to Cover Total Costs			\$1.84	Pound		

Example Breakeven Prices			
Example Yield Percent	Example Yield Pound	To Cover Variable Costs	To Cover Total Costs
75%	712.50	\$1.69	\$2.45
90%	855.00	\$1.41	\$2.04
100%	950.00	\$1.27	\$1.84
110%	1045.00	\$1.15	\$1.67
125%	1187.50	\$1.01	\$1.47

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.