

Projections for Planning Purposes Only -- Not to be Used without Updating
2018 Estimated Costs and Returns per Acre
Watermelon, Open Pollinated Varieties, Dryland, Rio Grande Valley
South Extension District - 12

Crop Acres		40			
				Enterprise	
REVENUE	Quantity	Units	\$/Unit	Total	Total
Watermelon, Allsweet	250.00	CWT	\$18.00	\$4,500.00	\$180,000.00
Total Revenue				\$4,500.00	\$180,000.00
				Enterprise	
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Total
Production Costs					
Herbicide					
Trifluralin 4EC	2	Pint	\$3.65	\$7.30	\$292.04
Seed					
Watermelon Seed, OP	3	Pound	\$42.43	\$127.30	\$5,092.04
Fertilizer					
Fertilizer 10-34-0	1.5	CWT	\$35.00	\$52.50	\$2,100.15
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	\$0.61	\$7.12	\$284.71
Fungicides					
Bravo Ultrex	1	Pound	\$7.21	\$7.21	\$288.29
Quadris	32	Ounce	\$3.23	\$103.50	\$4,140.03
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	\$19.85	\$19.85	\$793.88
Implements	1	Acre	\$15.67	\$15.67	\$626.94
Interest on Credit Line			5.00%	\$5.73	\$229.38
Total Variable Costs				\$1,303.93	\$52,157.30
Planned Returns Above Variable Costs:				\$3,196.07	\$127,842.70
Breakeven Price to Cover Variable Costs			\$5.22	CWT	
				Enterprise	
FIXED COSTS	Quantity	Units	\$/Unit	Total	Total
Machinery Depreciation					
Tractors/Self-Propelled	1	Acre	\$20.41	\$20.41	\$816.46
Implements	1	Acre	\$18.66	\$18.66	\$746.33
Equipment Investment					
Tractors/Self-Propelled	\$159.01	Dollars	7.00%	\$11.13	\$445.24
Implements	\$84.23	Dollars	7.00%	\$5.90	\$235.85
Cash Rent, South Texas	1	Acre	\$65.00	\$65.00	\$2,600.00
Total Fixed Costs				\$121.10	\$4,843.89
Total Specified Costs				\$1,425.03	\$57,001.19
Returns Above Specified Costs				\$3,074.97	\$122,998.81
Breakeven Price to Cover Total Costs			\$5.70	CWT	

Example Breakeven Prices			
Example Yield Percent	Example Yield CWT	To Cover Variable Costs	To Cover Total Costs
75%	187.50	\$6.95	\$7.60
90%	225.00	\$5.80	\$6.33
100%	250.00	\$5.22	\$5.70
110%	275.00	\$4.74	\$5.18
125%	312.50	\$4.17	\$4.56

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.