

Projections for Planning Purposes Only – Not to be Used without Updating
2018 Estimated Costs and Returns per Acre
Grapefruit, Year 1, Orchard Establishment, Flood Irrigated, Rio Grande Valley
South Extension District - 12

Crop Acres		100				
REVENUE	Quantity	Units	\$/Unit	Total	Enterprise Total	
Total Revenue				\$0.00		\$0.00
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total	
Production Costs						
Seed						
Young Citrus Trees	150	Tree	\$10.00	\$1,500.00		\$150,000.00
Layout and Plant	150	Tree	\$5.00	\$750.00		\$75,000.00
Tree Wrap/Unwrap	150	Tree	\$2.00	\$300.00		\$30,000.00
Fertilizer						
Urea (46%)	0.62	CTW	\$21.80	\$13.52		\$1,351.60
Foliar Zn	0.67	Pound	\$0.80	\$0.54		\$53.60
Foliar 18-8-5	1.32	Gallon	\$15.50	\$20.46		\$2,046.00
Custom						
Land Prep. Remove Old Orchard	1	Acre	\$378.00	\$378.00		\$37,800.00
Citrus Land Prep: Ripping	1	Acre	\$300.00	\$300.00		\$30,000.00
Citrus Land Prep: Disk	1	Acre	\$75.00	\$75.00		\$7,500.00
Citrus Land Prep: Level	1	Acre	\$86.00	\$86.00		\$8,600.00
Sucker (Yr 1-3 Year)	1	Acre	\$45.00	\$45.00		\$4,500.00
Foliar Application	2	Acre	\$42.00	\$84.00		\$8,400.00
Herbicide						
Simazine 4L	1.25	Gallon	\$21.46	\$26.83		\$2,682.60
Krovar I 80 DF	3	Pound	\$15.65	\$46.96		\$4,696.13
Roundup/Glyphosate	3.4	Gallon	\$20.00	\$68.00		\$6,800.00
Insecticide						
Sivanto	10	Ounce	\$2.30	\$23.00		\$2,300.00
Danitol	16	Ounce	\$1.58	\$25.28		\$2,528.00
Miscellaneous						
Citrus Assessment	1	Acre	\$45.00	\$45.00		\$4,500.00
Insurance, Grapefruit	1	Acre	\$50.00	\$50.00		\$5,000.00
Other Labor						
Unallocated Labor	1	Hour	\$12.00	\$12.00		\$1,200.00
Custom Soil Fert. Citrus	6	Hour	\$12.00	\$72.00		\$7,200.00
Other Chemicals						
Surfactant - Citrus	8.28	Pint	\$8.00	\$66.24		\$6,624.00
Irrigation						
Water Cost	1.56	Acre/Foot	\$20.00	\$31.20		\$3,120.00
Irrigation Labor	13.00	Hour	\$12.00	\$156.00		\$15,600.00
Machinery Labor						
Tractors/Self-Propelled	0.8	Hour	\$12.00	\$9.60		\$960.00
Other Labor	0.4	Hour	\$12.00	\$4.80		\$480.00
Diesel Fuel						
Tractors/Self-Propelled	3.66	Gallon	\$2.10	\$7.69		\$768.60
Repairs & Maintenance						
Tractors/Self-Propelled	1	Acre	\$8.07	\$8.07		\$807.09
Implements	1	Acre	\$2.61	\$2.61		\$260.81
Interest on Credit Line			5.00%	\$178.52		\$17,851.51
Total Variable Costs				\$4,386.30		\$438,629.95
Planned Returns Above Variable Costs:				(\$4,386.30)		(\$438,629.95)
Breakeven Price to Cover Variable Costs			n/a			
FIXED COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total	
Machinery Depreciation						
Tractors/Self-Propelled	1	Acre	\$8.34	\$8.34		\$834.00
Implements	1	Acre	\$2.79	\$2.79		\$279.33
Equipment Investment						
Tractors/Self-Propelled	\$64.97	Dollars	7.00%	\$4.55		\$454.80
Implements	\$11.95	Dollars	7.00%	\$0.84		\$83.64
Land Cost, Orchard	1	Acre	\$100.00	\$100.00		\$10,000.00
Total Fixed Costs				\$116.52		\$11,651.77
Total Specified Costs				\$4,502.82		\$450,281.71
Returns Above Specified Costs				(\$4,502.82)		(\$450,281.71)
Breakeven Price to Cover Total Costs			n/a			

Example Breakeven Prices			
Example Yield Percent	Example Yield	To Cover Variable Costs	To Cover Total Costs
75%	0.00	\$0.00	\$0.00
90%	0.00	\$0.00	\$0.00
100%	0.00	\$0.00	\$0.00
110%	0.00	\$0.00	\$0.00
125%	0.00	\$0.00	\$0.00

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.