

Projections for Planning Purposes Only -- Not to be Used without Updating
2019 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	\$2.99	\$12.53	\$626.41
Gasoline					
Pickup/General Use Equipment	1	Acre	\$99.87	\$99.87	\$4,993.50
Tractors/Self-Propelled	0.4092262	Gallon	\$2.89	\$1.18	\$59.13
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	\$9.25	\$9.25	\$462.53
Implements	1	Acre	\$2.55	\$2.55	\$127.71
Interest on Credit Line			6.50%	\$47.56	\$2,378.03
Total Variable Costs				\$1,789.46	\$89,473.11
Planned Returns Above Variable Costs:				\$6,290.54	\$314,526.89
Breakeven Price to Cover Variable Costs			\$8.86	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	\$10.88	\$10.88	\$544.12
Implements	1	Acre	\$5.36	\$5.36	\$267.86
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	\$86.14	Dollars	6.50%	\$5.60	\$279.94
Implements	\$26.73	Dollars	6.50%	\$1.74	\$86.87
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				\$921.17	\$46,058.69
Total Specified Costs				\$2,710.64	\$135,531.80
Returns Above Specified Costs				\$5,369.36	\$268,468.20
Breakeven Price to Cover Total Costs			\$13.42	Bushel	

Example Breakeven Prices				
Exmplk	Example	To Cover	To Cover	
Yield	Yield	Variable	Total	
Percent	Bushel	Costs	Costs	
75%	151.50	\$11.81	\$17.89	
90%	181.80	\$9.84	\$14.91	
100%	202.00	\$8.86	\$13.42	
110%	222.20	\$8.05	\$12.20	
125%	252.50	\$7.09	\$10.74	

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.