

Projections for Planning Purposes Only -- Not to be Used without Updating
2019 Estimated Costs and Returns per Acre
Pecan, Drip Irrigated Years 10-20
Southwest Extension District - 10

Crop Acres		120			
REVENUE	Quantity	Units	\$/Unit	Total	Enterprise Total
Pecans	950.00	Pound	\$2.69	\$2,555.50	\$306,660.00
Total Revenue				\$2,555.50	\$306,660.00
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	\$0.22	\$17.60	\$2,112.00
N-32 in Water	263.11	Pound	\$0.17	\$44.73	\$5,367.44
Zinc, Chelated 10%	17.32	Pint	\$1.34	\$23.21	\$2,785.06
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	KWhour	\$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	2116.80	kWh	\$0.17	\$359.86	\$43,182.72
Irrigation Labor	0.45	Hour	\$11.00	\$4.93	\$591.36
Machinery Labor					
Tractors/Self-Propelled	3.03	Hour	\$12.00	\$36.36	\$4,363.20
Other Labor	0.74	Hour	\$8.50	\$6.29	\$754.80
Diesel Fuel					
Tractors/Self-Propelled	15.38	Gallon	\$2.99	\$45.99	\$5,518.34
Gasoline					
Pickup/General Use Equipment	1	Acre	\$41.61	\$41.61	\$4,993.50
Tractors/Self-Propelled	0.8184524	Gallon	\$2.89	\$2.37	\$283.84
Repairs & Maintenance					
Pickup/General Use Equipment	1	Acre	\$14.40	\$14.40	\$1,728.00
Irrigation Equipment	1	Acre	\$19.95	\$19.95	\$2,394.35
Tractors/Self-Propelled	1	Acre	\$26.72	\$26.72	\$3,206.59
Implements	1	Acre	\$8.23	\$8.23	\$987.47
Interest on Credit Line			6.50%	\$33.49	\$4,018.59
Total Variable Costs				\$1,219.29	\$146,315.37
Planned Returns Above Variable Costs:				\$1,336.21	\$160,344.63
Breakeven Price to Cover Variable Costs			\$1.28	Pound	
FIXED COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
Machinery Depreciation					
Irrigation Equipment	1	Acre	\$81.93	\$81.93	\$9,831.25
Tractors/Self-Propelled	1	Acre	\$31.55	\$31.55	\$3,785.54
Implements	1	Acre	\$15.36	\$15.36	\$1,843.36
Equipment Investment					
Irrigation Equipment	\$656.77	Dollars	6.50%	\$42.69	\$5,122.81
Tractors/Self-Propelled	\$260.30	Dollars	6.50%	\$16.92	\$2,030.35
Implements	\$74.50	Dollars	6.50%	\$4.84	\$581.08
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				\$602.74	\$72,328.40
Total Specified Costs				\$1,822.03	\$218,643.76
Returns Above Specified Costs				\$733.47	\$88,016.24
Breakeven Price to Cover Total Costs			\$1.92	Pound	

Example Breakeven Prices			
Example Yield Percent	Example Yield Pound	To Cover Variable Costs	To Cover Total Costs
75%	712.50	\$1.71	\$2.56
90%	855.00	\$1.43	\$2.13
100%	950.00	\$1.28	\$1.92
110%	1045.00	\$1.17	\$1.74
125%	1187.50	\$1.03	\$1.53

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.