

Projections for Planning Purposes Only -- Not to be Used without Updating
2020 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	\$50.00	\$10,100.00	\$505,000.00
Total Revenue				\$10,100.00	\$505,000.00
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
Production Costs					
Herbicide					
Glyphosate	12	Pint	\$1.63	\$19.58	\$978.90
Fertilizer					
Ammonium Sulfate (21% N)	2.55	CWT	\$15.95	\$40.67	\$2,033.63
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	\$11.65	\$29.13	\$1,456.25
Other Labor					
Hand Labor	140	Hour	\$8.50	\$1,190.00	\$59,500.00
Fungicides					
Captan 4L	3	Quart	\$8.63	\$25.88	\$1,293.75
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	\$2.49	\$10.43	\$521.66
Gasoline					
Pickup/General Use Equipment	1	Acre	\$82.59	\$82.59	\$4,129.57
Tractors/Self-Propelled	0.4092262	Gallon	\$2.39	\$0.98	\$48.90
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	\$9.36	\$9.36	\$467.84
Implements	1	Acre	\$3.01	\$3.01	\$150.62
Interest on Credit Line			6.50%	\$46.90	\$2,345.03
Total Variable Costs				\$1,764.49	\$88,224.44
Planned Returns Above Variable Costs:				\$8,335.51	\$416,775.56
Breakeven Price to Cover Variable Costs			\$8.74	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	\$11.02	\$11.02	\$551.20
Implements	1	Acre	\$6.39	\$6.39	\$319.42
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	\$87.24	Dollars	6.50%	\$5.67	\$283.53
Implements	\$31.14	Dollars	6.50%	\$2.02	\$101.21
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				\$922.70	\$46,135.24
Total Specified Costs				\$2,687.19	\$134,359.68
Returns Above Specified Costs				\$7,412.81	\$370,640.32
Breakeven Price to Cover Total Costs			\$13.30	Bushel	

Example Breakeven Prices			
Exmplk Yield Percent	Example Yield Bushel	To Cover Variable Costs	To Cover Total Costs
75%	151.50	\$11.65	\$17.74
90%	181.80	\$9.71	\$14.78
100%	202.00	\$8.74	\$13.30
110%	222.20	\$7.94	\$12.09
125%	252.50	\$6.99	\$10.64

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.