

Projections for Planning Purposes Only -- Not to be Used without Updating
2020 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	\$2.30	\$2,185.00	\$262,200.00
Total Revenue				\$2,185.00	\$262,200.00
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
Production Costs					
Herbicide					
Glyphosate	16.98	Pint	\$1.63	\$27.70	\$3,324.34
Fertilizer					
Fertilizer 11-52-0	80	Pound	\$0.25	\$20.04	\$2,404.80
N-32 in Water	263.11	Pound	\$0.13	\$34.07	\$4,088.73
Zinc, Chelated 10%	17.32	Pint	\$1.84	\$31.93	\$3,832.05
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	\$0.00	\$0.00	\$0.00
Insecticide					
Confirm 2F	12	Ounce	\$1.95	\$23.40	\$2,808.00
Lorsban 4E	4.5	Pint	\$4.52	\$20.34	\$2,440.26
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	\$2.49	\$38.30	\$4,595.54
Gasoline					
Pickup/General Use Equipment	1	Acre	\$34.41	\$34.41	\$4,129.57
Tractors/Self-Propelled	0.8184524	Gallon	\$2.39	\$1.96	\$234.73
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	\$27.60	\$27.60	\$3,311.84
Implements	1	Acre	\$9.30	\$9.30	\$1,116.08
Interest on Credit Line			6.50%	\$32.70	\$3,924.45
Total Variable Costs				\$1,031.78	\$123,813.33
Planned Returns Above Variable Costs:				\$1,153.22	\$138,386.67
Breakeven Price to Cover Variable Costs			\$1.09	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	\$32.50	\$32.50	\$3,899.48
Implements	1	Acre	\$17.30	\$17.30	\$2,076.54
Equipment Investment					
Irrigation Equipment	\$656.77	Dollars	6.50%	\$42.69	\$5,122.81
Tractors/Self-Propelled	\$267.70	Dollars	6.50%	\$17.40	\$2,088.05
Implements	\$82.35	Dollars	6.50%	\$5.35	\$642.33
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				\$606.62	\$72,794.46
Total Specified Costs				\$1,638.40	\$196,607.80
Returns Above Specified Costs				\$546.60	\$65,592.20
Breakeven Price to Cover Total Costs			\$1.72	Pound	

Example Breakeven Prices			
Example Yield Percent	Example Yield Pound	To Cover Variable Costs	To Cover Total Costs
75%	712.50	\$1.45	\$2.30
90%	855.00	\$1.21	\$1.92
100%	950.00	\$1.09	\$1.72
110%	1045.00	\$0.99	\$1.57
125%	1187.50	\$0.87	\$1.38

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.