

Projections for Planning Purposes Only -- *Not to be Used without Updating*
2020 Estimated Costs and Returns per Acre
Watermelon, Open Pollinated Varieties, Dryland, Rio Grande Valley
South Extension District - 12

Crop Acres		40				Enterprise
REVENUE	Quantity	Units	\$/Unit	Total	Total	Total
Watermelon, Allsweet	250.00	CWT	\$14.00	\$3,500.00	\$140,000.00	\$140,000.00
Total Revenue				\$3,500.00	\$140,000.00	\$140,000.00
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Total	Enterprise
Production Costs						
Herbicide						
Trifluralin 4EC	2	Pint	\$3.65	\$7.30	\$292.04	
Seed						
Watermelon Seed, OP	3	Thousand	\$6.60	\$19.80	\$792.00	
Fertilizer						
Fertilizer 10-34-0	1.5	CWT	\$35.00	\$52.50	\$2,100.15	
Custom						
Bee Rental	1	Hive	\$85.00	\$85.00	\$3,400.00	
Harvest and Sell Watermelons	250	CWT	\$8.00	\$2,000.00	\$80,000.00	
Insecticide						
Asana XL	11.6	Ounce	\$0.61	\$7.12	\$284.71	
Fungicides						
Bravo Ultrex	1	Pound	\$7.21	\$7.21	\$288.29	
Quadris	32	Ounce	\$2.34	\$74.88	\$2,995.20	
Other Labor						
Unallocated Labor	0.9336	Hour	\$12.00	\$11.20	\$448.13	
Machinery Labor						
Tractors/Self-Propelled	1.43	Hour	\$12.00	\$17.16	\$686.40	
Diesel Fuel						
Tractors/Self-Propelled	9.23	Gallon	\$2.30	\$21.23	\$849.16	
Repairs & Maintenance						
Tractors/Self-Propelled	1	Acre	\$20.69	\$20.69	\$827.66	
Implements	1	Acre	\$16.22	\$16.22	\$648.64	
Interest on Credit Line			5.00%	\$4.18	\$167.15	
Total Variable Costs				\$2,344.49	\$93,779.52	
Planned Returns Above Variable Costs:				\$1,155.51	\$46,220.48	
Breakeven Price to Cover Variable Costs			\$9.38	CWT		
FIXED COSTS	Quantity	Units	\$/Unit	Total	Total	Enterprise
Machinery Depreciation						
Tractors/Self-Propelled	1	Acre	\$21.29	\$21.29	\$851.53	
Implements	1	Acre	\$19.30	\$19.30	\$772.13	
Equipment Investment						
Tractors/Self-Propelled	\$165.84	Dollars	7.00%	\$11.61	\$464.36	
Implements	\$86.99	Dollars	7.00%	\$6.09	\$243.57	
Cash Rent, South Texas	1	Acre	\$65.00	\$65.00	\$2,600.00	
Total Fixed Costs				\$123.29	\$4,931.57	
Total Specified Costs				\$2,467.78	\$98,711.10	
Returns Above Specified Costs				\$1,032.22	\$41,288.90	
Breakeven Price to Cover Total Costs			\$9.87	CWT		

Example Breakeven Prices				
Example	Example	To Cover	To Cover	
Yield	Yield	Variable	Total	
Percent	CWT	Costs	Costs	
75%	187.50	\$12.50	\$13.16	
90%	225.00	\$10.42	\$10.97	
100%	250.00	\$9.38	\$9.87	
110%	275.00	\$8.53	\$8.97	
125%	312.50	\$7.50	\$7.90	

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.