

# Watermelon on Plastic and Overhead Irrigated Budget

Prepared by

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**Seedless Watermelon on Plastic and Overhead Irrigated Budget: 6ft row center  
and 3ft planting spacing  
(Cash Flow Budget)**

Number of acres 1

	<b>BEST</b>	<b>OPT</b>	<b>MEDIAN</b>	<b>PESS</b>	<b>WORST</b>
Yield (lbs)	65000	55000	45000	35000	25000
Price per lb.	0.24	0.19	0.16	0.10	0.08

<b>Item</b>	<b>Unit</b>	<b>Quantity</b>	<b>Price</b>	<b>Amt/acre</b>	<b>Total</b>	<b>Yours</b>
<b>Variable Costs</b>						
Seed & Plants	Thou	2.40	240.00	576.00	576	_____
Lime, applied	Ton	1.00	32.00	32.00	32	_____
Telone Banded	Gal	3.00	18.50	55.50	56	_____
Nitrogen (N)	lbs	150.00	0.72	108.00	108	_____
Phosporus (P)	lbs	70.00	0.55	38.50	39	_____
Potassium (K)	lbs	120.00	0.52	62.40	62	_____
Boron (B)	lbs	1.00	5.30	5.30	5	_____
Plastic Mulch (36", 8 mil, black)	Roll	1.20	105.00	126.00	126	_____
Herbicide	Acre	1.00	14.74	14.74	15	_____
Insecticide	Appl	3.00	13.40	40.20	40	_____
Fungicide	Appl	10.00	30.00	300.00	300	_____
Bee Hives	Acre	1.00	50.00	50.00	50	_____
Machinery (Gas, lub & maintenance)	Acre	1.00	48.00	48.00	48	_____
Labor	Hrs	20.00	9.00	180.00	180	_____
Irrigation (electric pump) 1/	Acre	1.00	39.95	39.95	40	_____
Land rent (overhead irrigation)	Acre	1.00	275.00	275.00	275	_____
Interest on Oper. Cap.	\$	1951.59	0.07	63.43	63	_____
<b>PreHarvest Variable Costs</b>				<b>2015.02</b>	<b>2,015</b>	_____
<b>Harvest and Marketing Costs</b>						
Broker fee	lbs	45000.00	0.02	900	900	_____
Bins, Pallets, Lids	lbs	45000.00	0.03	1238	1,238	_____
Packing shed operations	lbs	45000.00	0.01	450	450	_____
Harvest, hauling and packing	lbs	45000.00	0.03	1237.50	1,238	_____
<b>Total Harvest and Marketing</b>				<b>3825.00</b>	<b>3,825</b>	_____
<b>Total Variable Costs</b>				<b>5840.02</b>	<b>5,840</b>	_____

1/- Dissel would cost about \$100 per acre

**FIXED COSTS: Press Button for Calculation of Annual Debt Payment)**

<b>Annual Fixed Cost</b>					
Machinery	Acre	1.00	99.88	99.88	100 _____
Irrigation	Acre	1.00	86.50	86.50	87 _____
Overhead and Management	\$	2015.02	0.15	302.25	302 _____
<b>Total Fixed Costs</b>				<b>488.63</b>	<b>489</b> _____
<b>Total budgeted cost per acre</b>				<b>6328.65</b>	<b>6,329</b> _____

**Costs Per Cwt.**

Preharvest variable cost per cwt.	0.04
Harvest & marketing cost per cwt.	0.09
Fixed Outlays per cwt.	0.01
Total budgeted cost per cwt.	0.14

**EXPECTED RETURNS FROM TOTAL ACREAGE**

ACRES	EXPECTED YIELD/AC	VOLUME MARKETED	EXPECTED PRICE	TOTAL RETURNS
1	45000	45000	0.16	7,200

**RISK RATED RETURNS OVER CASH FLOW COSTS**

Net return levels (TOP ROW);  
 The chances of obtaining this level or more (MIDDLE ROW); and  
 The chances of obtaining this level or less (BOTTOM ROW).

	<u>Optimistic</u>		<u>Expected</u>		<u>Pessimistic</u>		
Returns(\$)	3,498	2,510	1,522	534	-507	-1,547	-2,587
Chances	6%	16%	32%	51%			
Chances				49%	30%	16%	7%

**CHANCES FOR PROFIT**      61%      **BASE BUDGETED NET REVENUE**      871

## WATERMELON OVERHEAD IRRIGATION SYSTEM

ACRES IN SYSTEM	100.00
INTEREST RATE	0.07

	INVESTMENT	YRS.	DEPREC.	INTEREST	TAXES & INS.
Sprinkler system	60000	20	3000	1950	450
Power unit	12500	1	0	406	94
WELL (8 inches)	15000	25	600	488	113
Pump	12000	12	1000	390	90
FILTER & AUTO	500	10	50	16	4
	0	20	0	0	0
	0	20	0	0	0
<b>TOTAL</b>	100000		4650	3250	750
TOTAL ANNUAL FIXED COSTS					8650
TOTAL ANNUAL FIXED COSTS PER ACRE					86.50
TOTAL ANNUAL DEBT PAYMENT PER ACRE					106

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### OPERATING COSTS

MOTOR SIZE (HP)	15.00	
REPAIRS	2025.00	20.25
ANNUAL PUMPING HOURS	2000.00	
ELECTRICITY		
Demand (standby charge) per YEAR	180.00	
Rate \$ per KWH	0.08	
ANNUAL ENERGY COST	1970.40	
ANNUAL ENERGY COST PER ACRE		19.70
OPERATING COST PER ACRE PER YEAR		39.95



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### Investment and Annual Fixed Costs

Number of acres of this crop                    100  
 Interest rate                                        0.07

Equipment Costs for this crop

Item	% of time for		Salvage Value	Life	Depr.	Yrs. of		FC/Ac.
	This crop	Cost				Int.	Tax&Ins	
Tractors (100 hp)	10%	100000	20000	15	533	390	84	10
Plow (6 row bedder))	75%	22000	4400	15	880	644	139	17
Disk (24')	10%	30000	6000	15	160	117	25	3
Subsoiler	100%	5000	1000	15	267	195	42	5
Transplanter	100%	12000	2400	15	640	468	101	12
Cultivator (6 row)	40%	6000	1200	15	128	94	20	2
Sprayer (18 row boor	100%	15000	3000	15	800	585	126	15
Tillovator (6 row)	60%	40000	8000	15	1280	936	202	24
Plastic layer (3 row)	75%	15000	3000	15	600	439	95	11
	40%	0	0	0	0	0	0	0
<b>Total</b>		<b>99150</b>	<b>19830</b>		<b>5288</b>	<b>3867</b>	<b>833</b>	<b>100</b>

Interest on Investment (Ave. Inv. X Int. Rate)                    3866.85  
 Taxes and Insurance (Ave. Inv. X .014)                            832.86  
  
 Total Annual Fixed Costs                                                9987.71  
 Total Annual Fixed Costs Per Acre                                    99.88