UF UNIVERSITY of FLORIDA
IFAS Extension

CITRUS Research and Education Center

REVISED SUPPLEMENT

Summary of 2010-2011 Citrus Budget for the Southwest Florida Production Region

Ronald P. Muraro, Extension Economist
University of Florida, IFAS, CREC, Lake Alfred, FL

Citrus budgets are tabulated annually for the Central, Southwest and Indian River citrus production regions of Florida. The attached budget costs are for the Southwest Florida citrus production region. These costs may not represent your particular grove situation. However, they represent the most current comparative cost estimates for Florida citrus. The budget costs items for the **Southwest Florida** are more representative of an **owner-managed operation; not a custom-managed operation.**

Budget analysis provides the basis for many grower decisions. Budgets can be used to calculate potential profits, determine cash requirements and determine break-even prices. The budget costs presented will serve as a format for growers to analyze their own individual records. The cost data were developed by surveying custom operators, suppliers, growers, colleagues with UF/IFAS and County Extension Agents in each production region.

This **revised** 2010-2011 comparative budget is for a processed orange cultural program. The costs presented are the same as those shown in the September 2011 summary Southwest Florida budgets but are consolidated into a more friendly reader format. There are two scenarios presented for the budget costs: 1) **Traditional HLB Management Program** and 2) **Cultural Program With an Enhanced Foliar Nutrient Program.** Scenario one represents costs of traditional HLB grove practices which include HLB scouting and removal of symptomatic trees but does not include an enhanced foliar nutrient program. Scenario two is the same cultural program for scenario one without HLB scouting and removal of symptomatic trees but includes the costs of an enhanced foliar nutrient program that most growers are now using to maintain and improve the health and yield of their citrus trees. Each budget scenario shows a Total Cost Per Acre **without** and **with resetting-tree replacement**.

The comparative budget costs are shown as an expanded **"total grower costs"** format in Table 2 and are presented **with** and **without** an enhanced foliar nutrient program as well as no resetting and resetting. The total grower costs include cultural/production, management, regulatory and a charge on the initial investment costs. The costs are presented on a per acre unit basis.

Break-even prices for processed Hamlin oranges are shown in Table 3 for yields ranging from 250 to 600 boxes per acre and for the 2010-11 state average yield of 358 boxes per acre. Under a traditional HLB management program and **without** the enhanced foliar nutrient program and **no resetting**, the delivered-in break-even price ranged from $1.66 to $0.94 per pound solids and at the state average yield $1.29 per pound solids; **with resetting** the break-even prices ranged from $1.80 to $1.00 per pound solids and at the state average yield $1.39 per pound solids. Under a no HLB scouting and symptomatic tree removal program but **with** an enhanced foliar nutrient program and **no resetting**, the delivered-in break-even prices ranged from $1.78 to $1.00 per pound solids and at the state average yield $1.38 per pound solids; **with resetting** these break-even prices ranged from $1.87 to $1.03 per pounds solids and at the state average yield $1.43 per pound solids.

Additional information on budgeting and cost analysis can be obtained by contacting the author, your County Extension Citrus Agent, or going to the Lake Alfred UF/IFAS CREC **Extension-Economics** website: http://www.crec.ifas.ufl.edu/Extension/Economics.

Table 1. A Listing of Estimated Comparative **Southwest Florida** Production Costs Per Acre for **Processed Oranges**, 2010-2011[z]

Costs represent a mature (10+ years old) Southwest Florida Orange Grove.	Processed Cultural Program			
	With Canker-Greening (**WITHOUT** Enhanced Foliar Nutrient Spray)		**With Canker-Greening** (**WITH** Enhanced Foliar Nutrient Spray)	
PRODUCTION/CULTURAL COSTS[y]				
Weed Management/Control:				
Mechanical Mow Middles (3 times per year)	$ 29.74		$ 29.74	
Chemical Mow Middles (3 times per year)	17.79		17.79	
General Grove Work (2 labor hours per acre)	32.64		32.64	
Herbicide (1/2 tree acre treated):				
(See Supplemental Table 1 - Herbicide Programs #1, #2 & #3)	115.74		115.74	
Total Weed Management Costs		195.91		195.91
Spray/Pest Management: (See Supplemental Table 3)				
With Greening: Spray Programs #1, #2, #3, #4, #5, #6, #7 and #8		372.05		364.62
Enhanced Foliar Nutrient Spray				259.14
Fertilizer (Bulk): 4 Applications		342.05		342.05
(See Supplemental Table 2 - Fert Prog #4; 17-4-17-2.4MgO @ 220 lbs N)				
Dolomite (one ton applied every 3 years) (Material/Application)		15.57		15.57
Pruning[x]: Topping ($26.83/A ÷ 2 yrs)	13.42		13.42	
Hedging ($25.75/A ÷ 2 yrs)	12.88		12.88	
Chop/Mow Brush after Hedging ($15.24/A ÷ 2 yrs)	7.72		7.72	
Total Pruning Cost		34.02		34.02
Irrigation: Microsprinkler System	173.17		173.17	
Clean Ditches (Weed Control)	17.24		17.24	
Ditch and Canal Maintenance	16.23		16.23	
Water Control (Pump water in/out of Ditches and Canals)	15.63		15.63	
Total Irrigation Cost		222.27		222.27
Tree Removal & Site Cleanup (Remove Trees: Pull, Stack & Burn; Clip-Shear and/or Front End Loader) (**7 trees/acre with HLB-greening; 5 trees/acre with enhanced foliar nutrients**)		66.64		56.60
Mandatory Citrus Canker Decontamination Costs		31.77		31.77
Field Inspections for Citrus Greening (4 inspections @ $27.41) or for scouting psyllids		109.64		54.82
TOTAL PROCESSED PRODUCTION COSTS **WITHOUT** TREE REPLACEMENT-RESET COSTS		1,389.92		1,576.77
Tree Replacement – 1 thru 3 years of age (**7 trees/acre with HLB-Greening; 5 trees/acre with enhanced foliar nutrients)**				
Prepare Site and Plant Tree (includes reset trees)	71.26		52.90	
Supplemental Fertilizer, Sprays, Sprout, etc. (Trees 1-3 years old)	136.43		70.75	
Total Tree Replacement Cost		207.69		123.65
TOTAL PROCESSED PRODUCTION COSTS **WITH** TREE REPLACEMENT-RESET COSTS		$1,597.61		$1,700.42

[z]The listed estimated comparative costs are for the example grove situation and may not represent your particular grove situation in Southwest Florida.

[y]Refer to "Summary of 2010-2011 Citrus Budget for the Southwest Florida Production Region" located at Lake Alfred UF/IFAS CREC website: **www.crec.ifas.ufl/extension/economics**

Source: Ronald P. Muraro, Extension Farm Management Economist, University of Florida, IFAS, CREC, Lake Alfred, FL, June 2012.

Table 2. Estimated total grower costs for **Southwest Florida** Hamlin oranges grown for the processed juice market **with** citrus canker and HLB-greening, 2010-11.

Represents a mature (10+ years old) Southwest Florida Orange Grove	Traditional HLB Management Processed Cultural Program **With Canker and HLB-Greening Without Additional Foliar Nutrient Sprays**	Traditional HLB Management Processed Cultural Program **With Canker and HLB-Greening With Additional Foliar Nutrient Sprays**
NO Resetting-Tree Replacement	$/Acre	$/Acre
Total Production/Cultural Costs	$1,389.92	$1,576.77
Interest on Operating (Cultural) Costs	69.50	78.84
Management Costs	48.00	48.00
Taxes/Regulatory Costs: Property Tax and Water Management Tax	61.00	61.00
Total Direct Grower Costs	$1,568.42	$1,764.61
Interest on Average Capital Investment Costs	321.22	321.22
Total Grower Costs **Without** Resetting	$1,889.63	$2,085.82
WITH Resetting-Tree Replacement	$/Acre	$/Acre
Total Production/Cultural Costs	$1,597.61	$1,700.42
Other Grower Costs	510.10	515.24
Total Grower Costs **With** Resetting	$2,107.71	$2,215.66

SOURCE: Ronald P. Muraro, University of Florida-IFAS, Citrus Research and Education Center, Lake Alfred, FL, June 2012.

Table 3. Delivered-in Break-even Price for Processed Hamlin Oranges in Southwest Florida, 2010-11

Box Yield Per Acre								State Average
250	300	350	400	450	500	550	600	358
With Citrus Canker and HLB-Greening and **Without** Additional Foliar Nutrient Spray								
Delivered-in Price Per Pound Solids[a]								
NO Resetting-Tree Replacement								
$1.66	$1.45	$1.31	$1.20	$1.11	$1.05	$0.99	$0.94	$1.29
WITH Resetting-Tree Replacement								
$1.80	$1.57	$1.41	$1.29	$1.19	$1.12	$1.05	$1.00	$1.39
With Citrus Canker and HLB-Greening and **With** Additional Foliar Nutrient Spray								
Delivered-in Price Per Pound Solids[a]								
NO Resetting-Tree Replacement								
$1.78	$1.56	$1.40	$1.28	$1.18	$1.11	$1.05	$1.00	$1.38
WITH Resetting-Tree Replacement								
$1.87	$1.63	$1.46	$1.33	$1.23	$1.15	$1.09	$1.03	$1.43

[a]Assumes: $2.458 per box for harvesting costs (pick & haul); $0.25 per box for FDOC assessment; 6.2 pounds solids per box.