

Projections for Planning Purposes Only -- Not to be Used without Updating
2014 Estimated Costs and Returns per Acre
Cotton, Conventional Tillage, Furrow Irrigated, Rio Grande Valley - 100 Acres
South Extension District - 12

Crop Acres		100				Enterprise
REVENUE	Quantity	Units	\$/Unit	Total	Total	Total
Cotton Lint	825.00	Pound	\$0.69	\$569.25	\$56,925.00	\$56,925.00
Cottonseed	0.74	Ton	\$220.00	\$161.92	\$16,192.00	\$16,192.00
Total Revenue				\$731.17	\$73,117.00	\$73,117.00
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Total	Enterprise
Production Costs						
Seed						
Cotton Seed	15	Pound	\$1.95	\$29.25	\$2,925.00	\$2,925.00
Fertilizer						
UAN (32% N)	2.5	CWT	\$25.27	\$63.18	\$6,317.50	\$6,317.50
Herbicide						
Treflan EC	2	Pint	\$3.27	\$6.54	\$654.00	\$654.00
2, 4-D Amine	1	Pint	\$2.54	\$2.54	\$254.00	\$254.00
Insecticide						
Vydate C-LV	8.5	Ounce	\$0.83	\$7.06	\$705.50	\$705.50
Oberon 4SC	3	Ounce	\$1.90	\$5.70	\$570.00	\$570.00
Oberon 4SC	4	Ounce	\$1.90	\$7.60	\$760.00	\$760.00
Oberon 4SC	4	Ounce	\$1.90	\$7.60	\$760.00	\$760.00
Tracer	2	Ounce	\$8.45	\$16.90	\$1,690.00	\$1,690.00
Other Chemicals						
Pix	12	Ounce	\$0.25	\$3.00	\$300.00	\$300.00
Dropp SC	0.2	Pound	\$37.44	\$7.49	\$748.80	\$748.80
Surfactant	1	Pint	\$3.29	\$3.29	\$329.00	\$329.00
Custom						
Insect Scouting	1	Acre	\$8.00	\$8.00	\$800.00	\$800.00
Apply by Air - 3 Gallons	1	Application	\$6.25	\$6.25	\$625.00	\$625.00
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Custom Haul Cotton	825	Pound	\$0.15	\$123.75	\$12,375.00	\$12,375.00
Gin	825	Pound	\$0.12	\$99.00	\$9,900.00	\$9,900.00
Irrigation						
Energy or Water Cost	0.80	Acre/Foot	\$20.00	\$16.00	\$1,600.00	\$1,600.00
Irrigation Labor	1.10	Hour	\$9.00	\$9.90	\$990.00	\$990.00
Other Labor						
Unallocated Labor	1.2856	Hour	\$9.00	\$11.57	\$1,157.04	\$1,157.04
Machinery Labor						
Tractors/Self-Propelled	1.95	Hour	\$9.00	\$17.55	\$1,755.00	\$1,755.00
Diesel Fuel						
Tractors/Self-Propelled	10.48	Gallon	\$3.25	\$34.06	\$3,406.00	\$3,406.00
Repairs & Maintenance						
Tractors/Self-Propelled	1	Acre	\$23.06	\$23.06	\$2,306.32	\$2,306.32
Implements	1	Acre	\$8.29	\$8.29	\$829.19	\$829.19
Interest on Credit Line			9.00%	\$10.12	\$1,012.46	\$1,012.46
Total Variable Costs				\$540.20	\$54,019.80	\$54,019.80
Planned Returns Above Variable Costs:				\$190.97	\$19,097.20	\$19,097.20
Breakeven Price to Cover Variable Costs			\$0.46	Pound		
FIXED COSTS	Quantity	Units	\$/Unit	Total	Total	Enterprise
Machinery Depreciation						
Tractors/Self-Propelled	1	Acre	\$30.92	\$30.92	\$3,092.30	\$3,092.30
Implements	1	Acre	\$13.35	\$13.35	\$1,334.51	\$1,334.51
Equipment Investment						
Tractors/Self-Propelled	\$359.68	Dollars	9.00%	\$32.37	\$3,237.09	\$3,237.09
Implements	\$142.24	Dollars	9.00%	\$12.80	\$1,280.16	\$1,280.16
Total Fixed Costs				\$89.44	\$8,944.05	\$8,944.05
Total Specified Costs				\$629.64	\$62,963.86	\$62,963.86
Returns Above Specified Costs				\$101.53	\$10,153.14	\$10,153.14
Breakeven Price to Cover Total Costs			\$0.57	Pound		

Example Breakeven Prices						
Example Yield Percent	Example Yield Pound	Price Needed to Cover Example Variable Costs		Price Needed to Cover Example Total Costs		
		Own/Rent	Share Tenant	Own/Rent	Share Tenant	Landlord
75%	618.75	\$0.61	\$0.90	\$0.76	\$1.10	-\$0.26
90%	742.50	\$0.51	\$0.75	\$0.63	\$0.91	-\$0.31
100%	825.00	\$0.46	\$0.68	\$0.57	\$0.82	-\$0.35
110%	907.50	\$0.42	\$0.62	\$0.52	\$0.75	-\$0.38
125%	1031.25	\$0.37	\$0.54	\$0.45	\$0.66	-\$0.43

Developed by Luis Ribera, Associate Professor and Extension Economist, Texas A&M AgriLife Extension.

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.