

Projections for Planning Purposes Only -- Not to be Used without Updating
2015 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
Cotton Lint	825.00	Pound	\$0.69	\$569.25	\$56,925.00
Cottonseed	0.74	Ton	\$220.00	\$161.92	\$16,192.00
Total Revenue				\$731.17	\$73,117.00
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
Production Costs					
Custom					
Insect Scouting	1	Acre	\$8.00	\$8.00	\$800.00
Apply by Air - 3 Gallons	3	Application	\$6.25	\$18.75	\$1,875.00
Custom Haul Cotton	825	Pound	\$0.15	\$123.75	\$12,375.00
Gin	825	Pound	\$0.12	\$99.00	\$9,900.00
Fertilizer					
UAN (32% N)	2.5	CWT	\$18.60	\$46.50	\$4,650.00
Herbicide					
Treflan EC	2	Pint	\$3.40	\$6.80	\$680.00
2, 4-D Amine	1	Pint	\$2.44	\$2.44	\$244.00
Insecticide					
Vydate C-LV	8.5	Ounce	\$0.89	\$7.57	\$756.50
Oberon 4SC	11	Ounce	\$3.95	\$43.45	\$4,345.00
Tracer	2	Ounce	\$9.73	\$19.46	\$1,946.00
Seed					
Cotton Seed	15	Pound	\$4.15	\$62.25	\$6,225.00
Other Chemicals					
Pix	12	Ounce	\$0.33	\$3.96	\$396.00
Dropp SC	0.2	Pound	\$26.64	\$5.33	\$532.80
Surfactant	1	Pint	\$3.60	\$3.60	\$360.00
Other Labor					
Unallocated Labor	1.2856	Hour	\$9.00	\$11.57	\$1,157.04
Irrigation					
Water Cost	0.80	Acre/Foot	\$20.00	\$16.00	\$1,600.00
Irrigation Labor	1.10	Hour	\$9.00	\$9.90	\$990.00
Machinery Labor					
Tractors/Self-Propelled	2.37	Hour	\$9.00	\$21.33	\$2,133.00
Diesel Fuel					
Tractors/Self-Propelled	16.16	Gallon	\$3.00	\$48.48	\$4,848.00
Repairs & Maintenance					
Tractors/Self-Propelled	1	Acre	\$43.35	\$43.35	\$4,335.23
Implements	1	Acre	\$18.93	\$18.93	\$1,893.43
Interest on Credit Line			9.00%	\$12.74	\$1,274.35
Total Variable Costs				\$633.16	\$63,316.34
Planned Returns Above Variable Costs:				\$98.01	\$9,800.66
Breakeven Price to Cover Variable Costs			\$0.57	Pound	
FIXED COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
Machinery Depreciation					
Tractors/Self-Propelled	1	Acre	\$58.33	\$58.33	\$5,832.75
Implements	1	Acre	\$22.92	\$22.92	\$2,291.99
Equipment Investment					
Tractors/Self-Propelled	\$847.73	Dollars	9.00%	\$76.30	\$7,629.59
Implements	\$199.67	Dollars	9.00%	\$17.97	\$1,797.05
Total Fixed Costs				\$175.51	\$17,551.37
Total Specified Costs				\$808.68	\$80,867.71
Returns Above Specified Costs				(\$77.51)	(\$7,750.71)
Breakeven Price to Cover Total Costs			\$0.78	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	ShareTenant	Own/Rent	ShareTenant	Landlord
75%	618.75	\$0.76	\$1.10	\$1.05	\$1.48	-\$0.19
90%	742.50	\$0.63	\$0.92	\$0.87	\$1.23	-\$0.23
100%	825.00	\$0.57	\$0.83	\$0.78	\$1.11	-\$0.25
110%	907.50	\$0.52	\$0.75	\$0.71	\$1.01	-\$0.28
125%	1031.25	\$0.46	\$0.66	\$0.63	\$0.89	-\$0.31

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.