

Projections for Planning Purposes Only -- Not to be Used without Updating
2015 Estimated Costs and Returns per Acre
Cotton, Reduced Tillage, GMO, Furrow Irrigated, Rio Grande Valley - 100 Acres
South Extension District - 12

| Crop Acres | | 100 | | | |
|---------------------------------------------|----------|-------------|---------------|-----------------|--------------------|
| REVENUE | | | | | |
| | Quantity | Units | \$/Unit | Total | Enterprise Total |
| Cotton Lint | 950.00 | Pound | \$0.69 | \$655.50 | \$65,550.00 |
| Cottonseed | 0.78 | Ton | \$220.00 | \$172.26 | \$17,226.00 |
| Total Revenue | | | | \$827.76 | \$82,776.00 |
| 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 | 950 | Pound | \$0.15 | \$142.50 | \$14,250.00 |
| Gin | 950 | Pound | \$0.12 | \$114.00 | \$11,400.00 |
| Fertilizer | | | | | |
| UAN (32% N) | 2.5 | CWT | \$18.60 | \$46.50 | \$4,650.00 |
| Herbicide | | | | | |
| Glyphosate | 3.75 | Pint | \$2.25 | \$8.44 | \$843.75 |
| Harmony Extra | 0.6 | Ounce | \$14.35 | \$8.61 | \$861.00 |
| 2, 4-D Amine | 2 | Pint | \$2.44 | \$4.88 | \$488.00 |
| Insecticide | | | | | |
| Vydate C-LV | 16 | Ounce | \$0.89 | \$14.24 | \$1,424.00 |
| Oberon 4SC | 11 | Ounce | \$3.95 | \$43.45 | \$4,345.00 |
| Tracer | 2 | Ounce | \$9.73 | \$19.46 | \$1,946.00 |
| Seed | | | | | |
| Cotton Seed GMO | 15 | Pound | \$5.66 | \$84.90 | \$8,490.00 |
| Miscellaneous | | | | | |
| MPCI: Irrigated Cotton | 1 | Acre | \$13.00 | \$13.00 | \$1,300.00 |
| Other Chemicals | | | | | |
| Pix | 12 | Ounce | \$0.33 | \$3.96 | \$396.00 |
| Dropp SC | 0.2 | Pound | \$26.64 | \$5.33 | \$532.80 |
| Surfactant | 3 | Pint | \$3.60 | \$10.80 | \$1,080.00 |
| Other Labor | | | | | |
| Unallocated Labor | 0.88 | Hour | \$9.00 | \$7.92 | \$792.00 |
| Irrigation | | | | | |
| Water Cost | 0.40 | Acre/Foot | \$20.00 | \$8.00 | \$800.00 |
| Irrigation Labor | 1.10 | Hour | \$9.00 | \$9.90 | \$990.00 |
| Machinery Labor | | | | | |
| Tractors/Self-Propelled | 2.08 | Hour | \$9.00 | \$18.72 | \$1,872.00 |
| Diesel Fuel | | | | | |
| Tractors/Self-Propelled | 12.66 | Gallon | \$3.00 | \$37.98 | \$3,798.00 |
| Repairs & Maintenance | | | | | |
| Tractors/Self-Propelled | 1 | Acre | \$34.90 | \$34.90 | \$3,489.82 |
| Implements | 1 | Acre | \$11.54 | \$11.54 | \$1,153.95 |
| Interest on Credit Line | | | 9.00% | \$14.46 | \$1,445.81 |
| Total Variable Costs | | | | \$690.23 | \$69,023.13 |
| Planned Returns Above Variable Costs: | | | | \$137.53 | \$13,752.87 |
| Breakeven Price to Cover Variable Costs | | | \$0.55 | Pound | |
| FIXED COSTS | | | | | |
| | Quantity | Units | \$/Unit | Total | Enterprise Total |
| Machinery Depreciation | | | | | |
| Tractors/Self-Propelled | 1 | Acre | \$50.46 | \$50.46 | \$5,046.11 |
| Implements | 1 | Acre | \$13.75 | \$13.75 | \$1,375.16 |
| Equipment Investment | | | | | |
| Tractors/Self-Propelled | \$759.07 | Dollars | 9.00% | \$68.32 | \$6,831.66 |
| Implements | \$129.32 | Dollars | 9.00% | \$11.64 | \$1,163.87 |
| Total Fixed Costs | | | | \$144.17 | \$14,416.81 |
| Total Specified Costs | | | | \$834.40 | \$83,439.93 |
| Returns Above Specified Costs | | | | (\$6.64) | (\$663.93) |
| Breakeven Price to Cover Total Costs | | | \$0.70 | 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% | 712.50 | \$0.73 | \$1.05 | \$0.93 | \$1.32 | -\$0.20 |
| 90% | 855.00 | \$0.61 | \$0.87 | \$0.77 | \$1.10 | -\$0.23 |
| 100% | 950.00 | \$0.55 | \$0.79 | \$0.70 | \$0.99 | -\$0.26 |
| 110% | 1045.00 | \$0.50 | \$0.72 | \$0.63 | \$0.90 | -\$0.29 |
| 125% | 1187.50 | \$0.44 | \$0.63 | \$0.56 | \$0.79 | -\$0.33 |

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.