

Projections for Planning Purposes Only -- *Not to be Used without Updating*
2015 Estimated Costs and Returns per Acre
Sugar Cane, Planted, Furrow Irrigated, Rio Grande Valley - 100 Acres
South Extension District - 12

Crop Acres		100				Enterprise
REVENUE	Quantity	Units	\$/Unit	Total	Total	Total
Sugar Cane	50.00	Ton	\$21.00	\$1,050.00	\$105,000.00	\$105,000.00
Total Revenue				\$1,050.00	\$105,000.00	\$105,000.00
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Total	Enterprise
Production Costs						
Custom						
Seed Cane Cutting	4.5	Ton	\$9.00	\$40.50	\$4,050.00	\$4,050.00
Seed Cane Transport/Distribution	1	Acre	\$180.00	\$180.00	\$18,000.00	\$18,000.00
Seed Cane Covering	1	Acre	\$9.20	\$9.20	\$920.00	\$920.00
Fertilizer						
Fertilizer 10-34-0	2	CWT	\$26.00	\$52.00	\$5,200.00	\$5,200.00
UAN (32% N)	3	CWT	\$18.60	\$55.80	\$5,580.00	\$5,580.00
Herbicide						
Atrazine 4L	12	Pint	\$1.93	\$23.16	\$2,316.00	\$2,316.00
Prowl 3.3 EC	10	Pint	\$5.63	\$56.30	\$5,630.00	\$5,630.00
Seed						
Seed Cane	4.5	Ton	\$36.00	\$162.00	\$16,200.00	\$16,200.00
Other Labor						
Unallocated Labor	0.7072	Hour	\$9.00	\$6.36	\$636.48	\$636.48
Irrigation						
Water Cost	5.00	Acre/Foot	\$20.00	\$100.00	\$10,000.00	\$10,000.00
Irrigation Labor	7.00	Hour	\$9.00	\$63.00	\$6,300.00	\$6,300.00
Machinery Labor						
Tractors/Self-Propelled	1.31	Hour	\$9.00	\$11.79	\$1,179.00	\$1,179.00
Diesel Fuel						
Tractors/Self-Propelled	6.43	Gallon	\$3.00	\$19.29	\$1,929.00	\$1,929.00
Repairs & Maintenance						
Tractors/Self-Propelled	1	Acre	\$11.71	\$11.71	\$1,170.68	\$1,170.68
Implements	1	Acre	\$10.51	\$10.51	\$1,051.21	\$1,051.21
Interest on Credit Line			9.00%	\$75.16	\$7,516.35	\$7,516.35
Total Variable Costs				\$876.79	\$87,678.72	\$87,678.72
Planned Returns Above Variable Costs:				\$173.21	\$17,321.28	\$17,321.28
Breakeven Price to Cover Variable Costs			\$17.54	Ton		
FIXED COSTS	Quantity	Units	\$/Unit	Total	Total	Enterprise
Machinery Depreciation						
Tractors/Self-Propelled	1	Acre	\$12.10	\$12.10	\$1,209.70	\$1,209.70
Implements	1	Acre	\$11.68	\$11.68	\$1,167.74	\$1,167.74
Equipment Investment						
Tractors/Self-Propelled	\$136.58	Dollars	9.00%	\$12.29	\$1,229.21	\$1,229.21
Implements	\$101.37	Dollars	9.00%	\$9.12	\$912.36	\$912.36
Allocated Establishment Cost	1	Acre	\$2.11	\$2.11	\$211.00	\$211.00
Cash Rent, Sugar Cane	1	Acre	\$110.00	\$110.00	\$11,000.00	\$11,000.00
Total Fixed Costs				\$157.30	\$15,730.02	\$15,730.02
Total Specified Costs				\$1,034.09	\$103,408.75	\$103,408.75
Returns Above Specified Costs				\$15.91	\$1,591.25	\$1,591.25
Breakeven Price to Cover Total Costs			\$20.68	Ton		

Example Breakeven Prices						
Example Yield Percent	Example Yield Ton	Price Needed to Cover Example Variable Costs		Price Needed to Cover Example Total Costs		
		Own/Rent	ShareTenant	Own/Rent	ShareTenant	Landlord
75%	37.50	\$23.38	\$23.38	\$27.58	\$27.58	\$0.00
90%	45.00	\$19.48	\$19.48	\$22.98	\$22.98	\$0.00
100%	50.00	\$17.54	\$17.54	\$20.68	\$20.68	\$0.00
110%	55.00	\$15.94	\$15.94	\$18.80	\$18.80	\$0.00
125%	62.50	\$14.03	\$14.03	\$16.55	\$16.55	\$0.00

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.