

Projections for Planning Purposes Only -- *Not to be Used without Updating*
2018 Estimated Costs and Returns per Acre
Cotton - Genetically Modified Seed, Conv. Till-24 Row, Irrigated, 1250 lb. Yield Goal
Coastal Bend Extension District - 11

Crop Acres		505				Enterprise
REVENUE	Quantity	Units	\$/Unit	Total	Total	Enterprise
Cotton Lint	1,250.00	Pound	\$0.63	\$787.50	\$397,687.50	
Cottonseed	0.86	Ton	\$120.00	\$103.20	\$52,116.00	
Total Revenue				\$890.70	\$449,803.50	
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Total	Enterprise
Production Costs						
Custom						
Fertilizer Application	0	CWT	\$0.10	\$0.00	\$0.00	
Pick and Module	1250	Pound	\$0.14	\$175.00	\$88,375.00	
Ginning - Picker	1250	Pound	\$0.13	\$156.25	\$78,906.25	
Fertilizer						
24-8-0	0.2	Ton	\$222.00	\$44.40	\$22,422.00	
Herbicide						
Glyphosate	3	Quart	\$5.50	\$16.50	\$8,332.50	
Trifluralin	32	Ounce	\$0.17	\$5.44	\$2,747.20	
2, 4D Amine	2	Pint	\$2.25	\$4.50	\$2,272.50	
Insecticide						
Fleahopper Control	3.2	Ounce	\$1.25	\$4.00	\$2,020.00	
Miscellaneous						
Boll Weevil Program LC	2.5	Bale	\$3.50	\$8.75	\$4,418.75	
Crop Insurance - Irr Cotton	1	Acre	\$23.00	\$23.00	\$11,615.00	
Pickup Milage Charge	1	Acre	\$3.88	\$3.88	\$1,959.40	
Seed						
Cotton Seed - B2RF	45	Thousand	\$0.62	\$28.07	\$14,175.86	
Cotton Seed - Insect Treatment	45	Thousand	\$0.17	\$7.65	\$3,863.25	
Tech Fee - B2RF	1	Acre	\$43.16	\$43.16	\$21,795.80	
Other Chemicals						
Generic PIX	24	Ounce	\$0.07	\$1.68	\$848.40	
Defoliant - Picker	4.8	Ounce	\$0.74	\$3.55	\$1,793.76	
Silicone Surfactant	1.6	Ounce	\$0.70	\$1.12	\$565.60	
Other Labor						
Hand Labor	0.08	Hour	\$16.00	\$1.28	\$646.40	
Irrigation						
Energy Cost	10.00	AcreInch	\$2.10	\$21.00	\$10,605.00	
Irrigation Labor	1.50	Hour	\$19.50	\$29.25	\$14,771.25	
Machinery Labor						
Tractors/Self-Propelled	0.5	Hour	\$19.50	\$9.75	\$4,923.75	
Diesel Fuel						
Tractors/Self-Propelled	6.48	Gallon	\$2.30	\$14.90	\$7,526.52	
Repairs & Maintenance						
Irrigation Equipment	1	Acre	\$25.08	\$25.08	\$12,666.67	
Tractors/Self-Propelled	1	Acre	\$16.15	\$16.15	\$8,155.79	
Implements	1	Acre	\$14.02	\$14.02	\$7,082.50	
Interest on Credit Line			5.50%	\$11.34	\$5,727.13	
Total Variable Costs				\$669.74	\$338,216.26	
Planned Returns Above Variable Costs:				\$220.96	\$111,587.24	
Breakeven Price to Cover Variable Costs			\$0.45	Pound		
FIXED COSTS	Quantity	Units	\$/Unit	Total	Total	Enterprise
Machinery Depreciation						
Irrigation Equipment	1	Acre	\$28.18	\$28.18	\$14,233.33	
Tractors/Self-Propelled	1	Acre	\$21.73	\$21.73	\$10,972.01	
Implements	1	Acre	\$18.77	\$18.77	\$9,478.19	
Equipment Investment						
Irrigation Equipment	\$293.56	Dollars	6.00%	\$17.61	\$8,895.00	
Tractors/Self-Propelled	\$166.92	Dollars	6.00%	\$10.02	\$5,057.60	
Implements	\$81.10	Dollars	6.00%	\$4.87	\$2,457.44	
Management Fee, Owner/Operator Labor	1	Acre	\$44.54	\$44.54	\$22,490.18	
LCB - Land Charge	1	Acre	\$70.00	\$70.00	\$35,350.00	
Total Fixed Costs				\$215.71	\$108,933.75	
Total Specified Costs				\$885.45	\$447,150.01	
Returns Above Specified Costs				\$5.25	\$2,653.49	
Breakeven Price to Cover Total Costs			\$0.63	Pound		

Example Breakeven Prices			
Example Yield Percent	Example Yield Pound	To Cover Variable Costs	To Cover Total Costs
75%	937.50	\$0.60	\$0.83
90%	1125.00	\$0.50	\$0.70
100%	1250.00	\$0.45	\$0.63
110%	1375.00	\$0.41	\$0.57
125%	1562.50	\$0.36	\$0.50

Developed by Extension Economists, Texas A&M AgriLife Extension Service, budgets@tamu.edu.

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.