

Projections for Planning Purposes Only -- Not to be Used without Updating
2019 Estimated Costs and Returns per Acre
Cotton - Genetically Modified Seed, Conv. Till-24 Row, Dryland, 800 lb. Yield Goal - Lower Coast
Coastal Bend Extension District - 11

| Crop Acres | | 500 | | | | Enterprise |
|---|----------|----------|---------------|-----------------|---------------------|------------|
| REVENUE | Quantity | Units | \$/Unit | Total | Total | Enterprise |
| Cotton Lint | 800.00 | Pound | \$0.66 | \$528.00 | \$264,000.00 | |
| Cottonseed | 0.58 | Ton | \$125.00 | \$72.50 | \$36,250.00 | |
| Total Revenue | | | | \$600.50 | \$300,250.00 | |
| VARIABLE COSTS | Quantity | Units | \$/Unit | Total | Total | Enterprise |
| Production Costs | | | | | | |
| Custom | | | | | | |
| Fertilizer Application | 1 | Ounce | \$0.15 | \$0.15 | \$75.00 | |
| Pick and Module | 800 | Pound | \$0.14 | \$112.00 | \$56,000.00 | |
| Ginning - Picker | 800 | Pound | \$0.13 | \$100.00 | \$50,000.00 | |
| Fertilizer | | | | | | |
| 24-8-0 | 0.1665 | Ton | \$266.00 | \$44.29 | \$22,144.50 | |
| Herbicide | | | | | | |
| Glyphosate | 1 | Quart | \$5.50 | \$5.50 | \$2,750.00 | |
| Trifluralin | 32 | Ounce | \$0.19 | \$6.08 | \$3,040.00 | |
| 2, 4D Amine | 2 | Pint | \$2.07 | \$4.14 | \$2,070.00 | |
| Cotton Early Season Herbicide | 2 | Quart | \$16.24 | \$32.48 | \$16,240.00 | |
| Insecticide | | | | | | |
| Fleahopper Control LC | 1.6 | Ounce | \$1.08 | \$1.73 | \$864.00 | |
| Miscellaneous | | | | | | |
| Boll Weevil Program LC | 1.6 | Bale | \$3.50 | \$5.60 | \$2,800.00 | |
| Crop Insurance -Cotton LC | 1 | Acre | \$12.08 | \$12.08 | \$6,040.00 | |
| Pickup Milage Charge | 1 | Acre | \$3.88 | \$3.88 | \$1,940.00 | |
| Seed | | | | | | |
| Cotton Seed - B2RF | 40 | Thousand | \$1.84 | \$73.60 | \$36,800.00 | |
| Cotton Seed - Insect Treatment | 40 | Thousand | \$0.17 | \$6.80 | \$3,400.00 | |
| Tech Fee - B2RF | 1 | Acre | \$0.00 | \$0.00 | \$0.00 | |
| Other Chemicals | | | | | | |
| Generic PIX | 32 | Ounce | \$0.06 | \$1.92 | \$960.00 | |
| Defoliant - Picker | 4 | Ounce | \$1.05 | \$4.20 | \$2,100.00 | |
| Ethephon | 1.6 | Ounce | \$0.15 | \$0.24 | \$120.00 | |
| Other Labor | | | | | | |
| Hand Labor | 0.08 | Hour | \$16.00 | \$1.28 | \$640.00 | |
| Machinery Labor | | | | | | |
| Tractors/Self-Propelled | 0.51 | Hour | \$19.50 | \$9.95 | \$4,972.50 | |
| Diesel Fuel | | | | | | |
| Tractors/Self-Propelled | 6.49 | Gallon | \$2.46 | \$15.97 | \$7,982.70 | |
| Repairs & Maintenance | | | | | | |
| Tractors/Self-Propelled | 1 | Acre | \$16.36 | \$16.36 | \$8,179.50 | |
| Implements | 1 | Acre | \$13.96 | \$13.96 | \$6,979.24 | |
| Interest on Credit Line | | | 6.75% | \$10.93 | \$5,466.19 | |
| Total Variable Costs | | | | \$483.13 | \$241,563.63 | |
| Planned Returns Above Variable Costs: | | | | \$117.37 | \$58,686.37 | |
| Breakeven Price to Cover Variable Costs | | | \$0.51 | Pound | | |
| FIXED COSTS | Quantity | Units | \$/Unit | Total | Total | Enterprise |
| Machinery Depreciation | | | | | | |
| Tractors/Self-Propelled | 1 | Acre | \$22.22 | \$22.22 | \$11,110.45 | |
| Implements | 1 | Acre | \$18.71 | \$18.71 | \$9,356.08 | |
| Equipment Investment | | | | | | |
| Tractors/Self-Propelled | \$170.64 | Dollars | 6.00% | \$10.24 | \$5,119.13 | |
| Implements | \$80.88 | Dollars | 6.00% | \$4.85 | \$2,426.34 | |
| Management Fee, Owner/Operator Labor | 1 | Acre | \$30.03 | \$30.03 | \$15,012.50 | |
| LCB - Land Charge | 1 | Acre | \$70.00 | \$70.00 | \$35,000.00 | |
| Total Fixed Costs | | | | \$156.05 | \$78,024.49 | |
| Total Specified Costs | | | | \$639.18 | \$319,588.12 | |
| Returns Above Specified Costs | | | | (\$38.68) | (\$19,338.12) | |
| Breakeven Price to Cover Total Costs | | | \$0.71 | Pound | | |

| Example Breakeven Prices | | | |
|--------------------------|---------------------|-------------------------|----------------------|
| Example Yield Percent | Example Yield Pound | To Cover Variable Costs | To Cover Total Costs |
| 75% | 600.00 | \$0.68 | \$0.94 |
| 90% | 720.00 | \$0.57 | \$0.79 |
| 100% | 800.00 | \$0.51 | \$0.71 |
| 110% | 880.00 | \$0.47 | \$0.64 |
| 125% | 1000.00 | \$0.41 | \$0.57 |

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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.