

Projections for Planning Purposes Only -- Not to be Used without Updating
2016 Estimated Costs and Returns per Acre
Sugar Cane, Ratoon, Furrow Irrigated, Rio Grande Valley - 100 Acres
South Extension District - 12

Crop Acres		100			
				Total	Enterprise Total
REVENUE					
	Quantity	Units	\$/Unit	Total	Enterprise Total
Sugar (10.5% of 38 Ton)	7,980.00	Pound	\$0.13	\$997.50	\$99,750.00
Total Revenue				\$997.50	\$99,750.00
VARIABLE COSTS					
				Total	Enterprise Total
Production Costs					
Custom					
Fixed Harvesting - SC	1	Acre	\$160.00	\$160.00	\$16,000.00
Variable Harvesting - SC	38	Ton	\$3.50	\$133.00	\$13,300.00
Hauling - SC	38	Ton	\$3.20	\$121.60	\$12,160.00
Fertilizer					
UAN (32% N)	3.3	CWT	\$14.00	\$46.20	\$4,620.00
Fertilizer 10-34-0	2.4	CWT	\$32.50	\$78.00	\$7,800.00
Iron Chelate	5.5	Pound	\$5.00	\$27.50	\$2,750.00
Herbicide					
Atrazine 4L	12	Pint	\$1.81	\$21.72	\$2,172.00
Glyphosate	0.8	Pint	\$2.48	\$1.98	\$198.40
Pendimethalin	9.6	Pint	\$5.81	\$55.78	\$5,577.60
Miscellaneous					
Insurance, Sugarcane	1	Acre	\$15.00	\$15.00	\$1,500.00
Other Labor					
Labor - Weed Control	1.75	Hour	\$12.00	\$21.00	\$2,100.00
Unallocated Labor	0.4872	Hour	\$12.00	\$5.85	\$584.64
Irrigation					
Water Cost	5.00	Acre/Foot	\$20.00	\$100.00	\$10,000.00
Irrigation Labor	7.00	Hour	\$12.00	\$84.00	\$8,400.00
Machinery Labor					
Tractors/Self-Propelled	0.67	Hour	\$12.00	\$8.04	\$804.00
Diesel Fuel					
Tractors/Self-Propelled	4.62	Gallon	\$2.10	\$9.70	\$970.20
Repairs & Maintenance					
Tractors/Self-Propelled	1	Acre	\$8.14	\$8.14	\$813.80
Implements	1	Acre	\$7.04	\$7.04	\$704.35
Interest on Credit Line			5.00%	\$15.98	\$1,597.61
Total Variable Costs				\$920.53	\$92,052.60
Planned Returns Above Variable Costs:				\$76.97	\$7,697.40
Breakeven Price to Cover Variable Costs				\$0.12	Pound
FIXED COSTS					
				Total	Enterprise Total
Machinery Depreciation					
Tractors/Self-Propelled	1	Acre	\$9.28	\$9.28	\$927.89
Implements	1	Acre	\$7.65	\$7.65	\$764.59
Equipment Investment					
Tractors/Self-Propelled	\$71.88	Dollars	7.00%	\$5.03	\$503.17
Implements	\$42.84	Dollars	7.00%	\$3.00	\$299.89
Cash Rent, Sugar Cane	1	Acre	\$110.00	\$110.00	\$11,000.00
Total Fixed Costs				\$134.96	\$13,495.54
Total Specified Costs				\$1,055.48	\$105,548.14
Returns Above Specified Costs				(\$57.98)	(\$5,798.14)
Breakeven Price to Cover Total Costs				\$0.13	Pound

Example Breakeven Prices			
Example Yield Percent	Example Yield Pound	Price Needed to Cover Your Variable Costs	Price Needed to Cover Your Total Costs
75%	5985.00	\$0.15	\$0.18
90%	7182.00	\$0.13	\$0.15
100%	7980.00	\$0.12	\$0.13
110%	8778.00	\$0.10	\$0.12
125%	9975.00	\$0.09	\$0.11

Developed by Samuel Zapata, Assistant 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.