

Projections for Planning Purposes Only -- Not to be Used without Updating
2019 Estimated Costs and Returns per Acre
Cotton, Reduced Tillage, GMO, Furrow Irrigated, Rio Grande Valley
South Extension District - 12

| Crop Acres | | 100 | | | | |
|---|--|----------|-------------|----------|------------|------------------|
| REVENUE | | Quantity | Units | \$/Unit | Total | Enterprise Total |
| Cotton Lint | | 1,250.00 | Pound | \$0.66 | \$825.00 | \$82,500.00 |
| Cottonseed | | 0.89 | Ton | \$144.00 | \$128.16 | \$12,816.00 |
| Total Revenue | | | | | \$953.16 | \$95,316.00 |
| VARIABLE COSTS | | Quantity | Units | \$/Unit | Total | Enterprise Total |
| Production Costs | | | | | | |
| Custom | | | | | | |
| Insect Scouting | | 1 | Acre | \$10.00 | \$10.00 | \$1,000.00 |
| Apply by Air - 3 Gallons | | 3 | Application | \$7.46 | \$22.38 | \$2,238.00 |
| Custom Harvest Cotton | | 1250 | Pound | \$0.13 | \$162.50 | \$16,250.00 |
| Custom Haul Cotton | | 1250 | Pound | \$0.15 | \$187.50 | \$18,750.00 |
| Gin | | 1250 | Pound | \$0.12 | \$150.00 | \$15,000.00 |
| Fertilizer | | | | | | |
| UAN (32% N) | | 2.5 | CWT | \$15.25 | \$38.13 | \$3,812.50 |
| Herbicide | | | | | | |
| Glyphosate | | 3.75 | Pint | \$1.56 | \$5.86 | \$585.94 |
| Harmony Extra | | 0.6 | Ounce | \$15.10 | \$9.06 | \$905.77 |
| 2, 4-D Amine | | 2 | Pint | \$1.75 | \$3.50 | \$350.00 |
| Insecticide | | | | | | |
| Vydate C-LV | | 16 | Ounce | \$0.97 | \$15.48 | \$1,547.52 |
| Entrust | | 2 | Ounce | \$13.00 | \$26.00 | \$2,600.00 |
| Miscellaneous | | | | | | |
| Insurance, Cotton | | 1 | Acre | \$48.24 | \$48.24 | \$4,824.00 |
| Seed | | | | | | |
| Cotton Seed GMO | | 52 | Thousand | \$1.59 | \$82.68 | \$8,268.00 |
| Other Chemicals | | | | | | |
| Mepiquat | | 12 | Ounce | \$0.13 | \$1.56 | \$156.00 |
| Thidiazuron | | 5.4 | Ounce | \$1.21 | \$6.53 | \$653.40 |
| Surfactant | | 3 | Pint | \$5.35 | \$16.05 | \$1,605.00 |
| Other Labor | | | | | | |
| Unallocated Labor | | 0.88 | Hour | \$12.00 | \$10.56 | \$1,056.00 |
| Irrigation | | | | | | |
| Water Cost | | 0.40 | Acre/Foot | \$20.00 | \$8.00 | \$800.00 |
| Irrigation Labor | | 1.10 | Hour | \$12.00 | \$13.20 | \$1,320.00 |
| Machinery Labor | | | | | | |
| Tractors/Self-Propelled | | 1.31 | Hour | \$12.00 | \$15.72 | \$1,572.00 |
| Other Labor | | 0.28 | Hour | \$12.00 | \$3.36 | \$336.00 |
| Diesel Fuel | | | | | | |
| Tractors/Self-Propelled | | 6.89 | Gallon | \$2.30 | \$15.85 | \$1,584.70 |
| Repairs & Maintenance | | | | | | |
| Tractors/Self-Propelled | | 1 | Acre | \$12.66 | \$12.66 | \$1,265.71 |
| Implements | | 1 | Acre | \$11.17 | \$11.17 | \$1,117.44 |
| Interest on Credit Line | | | | 5.00% | \$7.81 | \$780.72 |
| Total Variable Costs | | | | | \$883.79 | \$88,378.70 |
| Planned Returns Above Variable Costs: | | | | | \$69.37 | \$6,937.30 |
| Breakeven Price to Cover Variable Costs | | | | \$0.60 | Pound | |
| FIXED COSTS | | Quantity | Units | \$/Unit | Total | Enterprise Total |
| Machinery Depreciation | | | | | | |
| Tractors/Self-Propelled | | 1 | Acre | \$15.02 | \$15.02 | \$1,502.00 |
| Implements | | 1 | Acre | \$13.71 | \$13.71 | \$1,370.55 |
| Equipment Investment | | | | | | |
| Tractors/Self-Propelled | | \$116.11 | Dollars | 7.00% | \$8.13 | \$812.76 |
| Implements | | \$85.88 | Dollars | 7.00% | \$6.01 | \$601.18 |
| Cash Rent, Irrigated | | 1 | Acre | \$85.00 | \$85.00 | \$8,500.00 |
| Total Fixed Costs | | | | | \$127.86 | \$12,786.49 |
| Total Specified Costs | | | | | \$1,011.65 | \$101,165.19 |
| Returns Above Specified Costs | | | | | (\$58.49) | (\$5,849.19) |
| 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% | 937.50 | \$0.81 | \$0.94 |
| 90% | 1125.00 | \$0.67 | \$0.79 |
| 100% | 1250.00 | \$0.60 | \$0.71 |
| 110% | 1375.00 | \$0.55 | \$0.64 |
| 125% | 1562.50 | \$0.48 | \$0.57 |

Developed by Samuel Zapata, Assistant Professor and Extension Economist, Texas A&M AgriLife Extension, 956-968-5581.

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.