

**COTTON ENTERPRISE BUDGET: UNDERSTANDING YOUR COSTS AND BREAKEVEN PRICE**

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**Abstract**

Cotton enterprise budgets are developed by the University of Georgia extension to help cotton producer achieve higher profit by better estimating their cost of production. As a forward-planning tool, cotton enterprise budgets estimate the potential revenue, expenses, and profit for Georgia cotton production. Enterprise budgets allow decision makers to systematically evaluate alternative plans on paper before committing resources to a particular plan or course of action. Four cotton enterprise budgets were created to reflect different production practices, including tillage (conventional tillage and strip tillage), irrigation (irrigated and non-irrigated), and cotton picker (traditional cotton picker and module cotton picker). Each budget is based on a spreadsheet using Microsoft Excel. The spreadsheet is comprised of two main parts: variable costs per acre and fixed costs per acre. We intend to provide the enterprise budgets that are flexible and user-friendly with default values. Users are allowed to modify the default values with their values and customize the budget to reflect their cost of production and estimate their breakeven prices.