

Projections for Planning Purposes Only -- Not to be Used without Updating
2013 Estimated Costs and Returns per Acre
Sorghum (Nitrogen Fertilizer Only) - 500 Acres
North Texas Extension District - 4

Crop Acres		500				
REVENUE	Quantity	Units	\$/Unit	Total	Enterprise Total	
Sorghum	33.00	CWT	\$10.00	\$330.00	\$165,000.00	
Other Revenue	0.00	Acre	\$0.00	\$0.00	\$0.00	
Other Revenue	0.00	Acre	\$0.00	\$0.00	\$0.00	
Total Revenue				\$330.00	\$165,000.00	
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total	
Production Costs						
Fertilizer						
10-34-0	100	Pounds	\$0.32	\$32.00	\$16,000.00	
82-0-0	100	Pounds	\$0.44	\$44.00	\$22,000.00	
Herbicide						
Pre-emerge sorghum	2	Acre	\$14.00	\$28.00	\$14,000.00	
Seed						
Sorghum Seed	7	Pounds	\$3.18	\$22.26	\$11,130.00	
Custom						
Custom Combine	1	Acre	\$18.00	\$18.00	\$9,000.00	
Custom Hauling	33	CWT	\$0.53	\$17.49	\$8,745.00	
Crop Insurance						
Insurance - sorghum	1	Acre	\$5.16	\$5.16	\$2,580.00	
Diesel Fuel						
Tractors	5.57	Gallons	\$3.50	\$19.50	\$9,748.89	
Repairs & Maintenance						
Implements	1	Acre	\$12.79	\$12.79	\$6,396.84	
Tractors	1	Acre	\$10.03	\$10.03	\$5,015.27	
Operator Labor						
Tractors	1.49	Hours	\$10.00	\$14.87	\$7,436.01	
Interest on Credit Line						
			4.75%	\$4.72	\$2,359.53	
Total Variable Costs				\$228.82	\$114,411.55	
Planned Returns Above Variable Costs:				\$101.18	\$50,588.45	
Breakeven Price to Cover Variable Costs			\$6.93	CWT		
FIXED COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total	
Machinery						
Implements	1	Acre	\$18.73	\$18.73	\$9,363.96	
Tractors	1	Acre	\$13.86	\$13.86	\$6,930.21	
Land Rent						
Land Rent	1	Acre	\$25.00	\$25.00	\$12,500.00	
Total Fixed Costs				\$57.59	\$28,794.17	
Total Specified Costs				\$286.41	\$143,205.73	
Returns Above Specified Costs				\$43.59	\$21,794.27	
Breakeven Price to Cover Total Costs			\$8.68	CWT		

Breakeven Prices						
Yield Percent	Yield CWT	Variable Costs			Total Costs	
		Full	Tenant	Full	Tenant	Landlord
75%	24.75	\$9.07	\$9.07	\$11.40	\$11.40	\$0.00
90%	29.70	\$7.65	\$7.65	\$9.58	\$9.58	\$0.00
100%	33.00	\$6.93	\$6.93	\$8.68	\$8.68	\$0.00
110%	36.30	\$6.35	\$6.35	\$7.94	\$7.94	\$0.00
125%	41.25	\$5.65	\$5.65	\$7.05	\$7.05	\$0.00

Developed by Blake Bennet, Assistant Professor and Extension Economist, Texas A&M AgriLife Extension Service.

Information presented is prepared solely as a general guide and not intended to recognize or predict the costs and returns from any one operation.