

Projections for Planning Purposes Only -- Not to be Used without Updating
2014 Estimated Costs and Returns per Acre
Continuous Sorghum, Furrow Irrigated (NG) - 122 Acres
Panhandle Extension District - 1

Crop Acres		122				Enterprise
REVENUE		Quantity	Units	\$/Unit	Total	Total
Grain Sorghum		65.00	CWT	\$7.80	\$507.00	\$61,854.00
Total Revenue					\$507.00	\$61,854.00
VARIABLE COSTS		Quantity	Units	\$/Unit	Total	Enterprise Total
Production Costs						
Seed						
	Seed - Sorghum	4.5	Pound	\$1.88	\$8.48	\$1,034.81
Fertilizer						
	Fertilizer (P) - Dry	40	Pound	\$0.52	\$20.80	\$2,537.60
	Fertilizer (N) - ANH3	100	Pound	\$0.38	\$38.00	\$4,636.00
Herbicide						
	Herbicide and Apply Sorghum Irrig	1	Acre	\$22.77	\$22.77	\$2,777.62
Insecticide						
	Insecticide and Apply Sorghum	0.33	Application	\$10.09	\$3.33	\$406.37
Miscellaneous						
	Crop Insurance Sorghum - Irrigatec	1	Acre	\$27.74	\$27.74	\$3,384.77
Custom						
	Fertilizer Application	1	Acre	\$5.50	\$5.50	\$671.00
	Fertilizer Application - ANH3	1	Acre	\$11.75	\$11.75	\$1,433.50
	Harvest and Haul - Sorghum	65	CWT	\$0.75	\$48.75	\$5,947.50
Irrigation						
	Energy or Water Cost	12.00	AcreInch	\$4.40	\$52.80	\$6,441.60
	Irrigation Labor	1.69	Hour	\$11.75	\$19.81	\$2,416.88
Machinery Labor						
	Tractors/Self-Propelled	1.71	Hour	\$11.75	\$20.09	\$2,451.29
Diesel Fuel						
	Tractors/Self-Propelled	4.52	Gallon	\$3.28	\$14.83	\$1,808.72
Gasoline						
	Pickup/General Use Equipment	1	Acre	\$6.66	\$6.66	\$812.50
Repairs & Maintenance						
	Pickup/General Use Equipment	1	Acre	\$2.51	\$2.51	\$306.00
	Irrigation Equipment	1	Acre	\$47.55	\$47.55	\$5,801.38
	Tractors/Self-Propelled	1	Acre	\$14.44	\$14.44	\$1,762.11
	Implements	1	Acre	\$25.51	\$25.51	\$3,111.87
	Interest on Credit Line			4.75%	\$6.84	\$834.18
Total Variable Costs					\$398.16	\$48,575.70
Planned Returns Above Variable Costs:					\$108.84	\$13,278.30
Breakeven Price to Cover Variable Costs				\$6.13	CWT	
FIXED COSTS		Quantity	Units	\$/Unit	Total	Enterprise Total
Machinery Depreciation						
	Pickup/General Use Equipment	1	Acre	\$2.63	\$2.63	\$321.30
	Irrigation Equipment	1	Acre	\$14.42	\$14.42	\$1,759.40
	Tractors/Self-Propelled	1	Acre	\$14.45	\$14.45	\$1,763.45
	Implements	1	Acre	\$30.14	\$30.14	\$3,676.71
Equipment Investment						
	Pickup/General Use Equipment	\$31.35	Dollars	5.25%	\$1.65	\$200.81
	Irrigation Equipment	\$379.51	Dollars	5.25%	\$19.92	\$2,430.75
	Tractors/Self-Propelled	\$163.20	Dollars	5.25%	\$8.57	\$1,045.27
	Implements	\$234.40	Dollars	5.25%	\$12.31	\$1,501.32
	Cash Rent - Sorghum f	1	Acre	\$85.00	\$85.00	\$10,370.00
Total Fixed Costs					\$189.09	\$23,069.01
Total Specified Costs					\$587.25	\$71,644.71
Returns Above Specified Costs					(\$80.25)	(\$9,790.71)
Breakeven Price to Cover Total Costs				\$9.03	CWT	

Example Breakeven Prices						
Example Yield Percent	Example Yield CWT	Price Needed to Cover Example Variable Costs		Price Needed to Cover Example Total Costs		
		Own/Rent	ShareTenant	Own/Rent	ShareTenant	Landlord
75%	48.75	\$8.17	\$8.17	\$12.05	\$12.05	\$0.00
90%	58.50	\$6.81	\$6.81	\$10.04	\$10.04	\$0.00
100%	65.00	\$6.13	\$6.13	\$9.03	\$9.03	\$0.00
110%	71.50	\$5.57	\$5.57	\$8.21	\$8.21	\$0.00
125%	81.25	\$4.90	\$4.90	\$7.23	\$7.23	\$0.00

Developed by Steve Amosson, Regents Fellow, 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.