

Projections for Planning Purposes Only -- Not to be Used without Updating
2014 Estimated Costs and Returns per Acre
Irrigated Sorghum - 122 Acres
Southwest Extension District - 10

Crop Acres		122				Enterprise
REVENUE	Quantity	Units	\$/Unit	Total	Total	Total
Sorghum	65.00	CWT	\$8.68	\$564.20	\$564.20	\$68,832.40
Total Revenue				\$564.20	\$564.20	\$68,832.40
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Total	Enterprise
Production Costs						
Seed						
Sorghum Concept Seed	8	Pound	\$3.20	\$25.60	\$25.60	\$3,123.20
Fertilizer						
UAN(32% N)	1.77	CWT	\$17.00	\$30.09	\$30.09	\$3,670.98
Fertilizer 18-46-0	130	Pound	\$0.25	\$32.50	\$32.50	\$3,965.00
Herbicide						
Atrazine 4L	4	Pint	\$1.63	\$6.52	\$6.52	\$795.44
Prowl H2O	2.5	Pint	\$4.63	\$11.58	\$11.58	\$1,412.15
Insecticide						
Lorsban 4E	1	Pint	\$5.25	\$5.25	\$5.25	\$640.50
Dimethoate 4E	1	Pint	\$5.50	\$5.50	\$5.50	\$671.00
Miscellaneous						
Miscellaneous Sorghum Overhead	1	Acre	\$4.00	\$4.00	\$4.00	\$488.00
Custom						
Haul Sorghum	65	CWT	\$0.18	\$11.70	\$11.70	\$1,427.40
Irrigation						
Energy or Water Cost	384.62	kWh	\$0.18	\$69.23	\$69.23	\$8,446.18
Machinery Labor						
Tractors/Self-Propelled	1.02	Hour	\$12.00	\$12.24	\$12.24	\$1,493.28
Diesel Fuel						
Tractors/Self-Propelled	7.56	Gallon	\$2.85	\$21.55	\$21.55	\$2,628.61
Gasoline						
Pickup/General Use Equipment	1	Acre	\$32.93	\$32.93	\$32.93	\$4,017.80
Repairs & Maintenance						
Pickup/General Use Equipment	1	Acre	\$6.72	\$6.72	\$6.72	\$819.96
Irrigation Equipment	1	Acre	\$4.00	\$4.00	\$4.00	\$488.00
Tractors/Self-Propelled	1	Acre	\$3.83	\$3.83	\$3.83	\$467.36
Implements	1	Acre	\$4.59	\$4.59	\$4.59	\$560.20
Interest on Credit Line			6.50%	\$9.46	\$9.46	\$1,154.63
Total Variable Costs				\$297.29	\$297.29	\$36,269.69
Planned Returns Above Variable Costs:				\$266.91	\$266.91	\$32,562.71
Breakeven Price to Cover Variable Costs			\$4.57	CWT		
FIXED COSTS	Quantity	Units	\$/Unit	Total	Total	Enterprise
Machinery Depreciation						
Pickup/General Use Equipment	1	Acre	\$25.20	\$25.20	\$25.20	\$3,074.85
Irrigation Equipment	1	Acre	\$34.75	\$34.75	\$34.75	\$4,239.44
Tractors/Self-Propelled	1	Acre	\$14.23	\$14.23	\$14.23	\$1,736.44
Implements	1	Acre	\$4.85	\$4.85	\$4.85	\$592.30
Equipment Investment						
Pickup/General Use Equipment	\$168.02	Dollars	6.50%	\$10.92	\$10.92	\$1,332.44
Irrigation Equipment	\$521.24	Dollars	6.50%	\$33.88	\$33.88	\$4,133.45
Tractors/Self-Propelled	\$171.49	Dollars	6.50%	\$11.15	\$11.15	\$1,359.95
Implements	\$70.42	Dollars	6.50%	\$4.58	\$4.58	\$558.46
Irrigated Winter Garden Rent	1	Acre	\$50.00	\$50.00	\$50.00	\$6,100.00
Total Fixed Costs				\$189.57	\$189.57	\$23,127.31
Total Specified Costs				\$486.86	\$486.86	\$59,397.00
Returns Above Specified Costs				\$77.34	\$77.34	\$9,435.40
Breakeven Price to Cover Total Costs			\$7.49	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	\$6.10	\$6.10	\$9.99	\$9.99	\$0.00
90%	58.50	\$5.08	\$5.08	\$8.32	\$8.32	\$0.00
100%	65.00	\$4.57	\$4.57	\$7.49	\$7.49	\$0.00
110%	71.50	\$4.16	\$4.16	\$6.81	\$6.81	\$0.00
125%	81.25	\$3.66	\$3.66	\$5.99	\$5.99	\$0.00

Developed by Rob Hogan, Associate 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.