

Projections for Planning Purposes Only -- Not to be Used without Updating
2015 Estimated Costs and Returns per Acre
Dryland Sorghum - 100 Acres
Southwest Extension District - 10

Crop Acres		100		Enterprise	
REVENUE	Quantity	Units	\$/Unit	Total	Total
Sorghum	30.00	CWT	\$7.15	\$214.50	\$21,450.00
Total Revenue				\$214.50	\$21,450.00
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Total
Production Costs					
Seed					
Sorghum Concept Seed	4	Pound	\$3.20	\$12.80	\$1,280.00
Fertilizer					
UAN(32% N)	0.88	CWT	\$16.00	\$14.08	\$1,408.00
Fertilizer 18-46-0	65	Pound	\$0.28	\$18.20	\$1,820.00
Custom					
Haul Sorghum	30	CWT	\$0.18	\$5.40	\$540.00
Miscellaneous					
Miscellaneous Sorghum Overhead	1	Acre	\$4.00	\$4.00	\$400.00
Crop Insurance - Grain Sorghum Dry	1	Acre	\$11.00	\$11.00	\$1,100.00
Herbicide					
Atrazine 4L	4	Pint	\$2.19	\$8.76	\$876.00
Insecticide					
Lorsban 4E	1	Pint	\$5.25	\$5.25	\$525.00
Dimethoate 4E	0.5	Pint	\$5.50	\$2.75	\$275.00
Machinery Labor					
Tractors/Self-Propelled	1.34	Hour	\$12.00	\$16.08	\$1,608.00
Diesel Fuel					
Tractors/Self-Propelled	9.75	Gallon	\$2.15	\$20.96	\$2,096.25
Gasoline					
Pickup/General Use Equipment	1	Acre	\$29.43	\$29.43	\$2,943.36
Repairs & Maintenance					
Pickup/General Use Equipment	1	Acre	\$6.72	\$6.72	\$672.00
Tractors/Self-Propelled	1	Acre	\$27.13	\$27.13	\$2,713.33
Implements	1	Acre	\$17.86	\$17.86	\$1,785.59
Interest on Credit Line			6.50%	\$5.99	\$598.79
Total Variable Costs				\$206.41	\$20,641.32
Planned Returns Above Variable Costs:				\$8.09	\$808.68
Breakeven Price to Cover Variable Costs			\$6.88	CWT	
FIXED COSTS	Quantity	Units	\$/Unit	Total	Total
Machinery Depreciation					
Pickup/General Use Equipment	1	Acre	\$25.20	\$25.20	\$2,520.00
Tractors/Self-Propelled	1	Acre	\$28.78	\$28.78	\$2,877.74
Implements	1	Acre	\$21.66	\$21.66	\$2,166.41
Equipment Investment					
Pickup/General Use Equipment	\$168.00	Dollars	6.50%	\$10.92	\$1,092.00
Tractors/Self-Propelled	\$326.77	Dollars	6.50%	\$21.24	\$2,123.99
Implements	\$176.22	Dollars	6.50%	\$11.45	\$1,145.43
Dryland Winter Garden Rent	1	Acre	\$20.00	\$20.00	\$2,000.00
Total Fixed Costs				\$139.26	\$13,925.58
Total Specified Costs				\$345.67	\$34,566.90
Returns Above Specified Costs				(\$131.17)	(\$13,116.90)
Breakeven Price to Cover Total Costs			\$11.52	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%	22.50	\$9.17	\$9.17	\$15.36	\$15.36	\$0.00
90%	27.00	\$7.64	\$7.64	\$12.80	\$12.80	\$0.00
100%	30.00	\$6.88	\$6.88	\$11.52	\$11.52	\$0.00
110%	33.00	\$6.25	\$6.25	\$10.47	\$10.47	\$0.00
125%	37.50	\$5.50	\$5.50	\$9.22	\$9.22	\$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.