

Projections for Planning Purposes Only -- Not to be Used without Updating
2017 Estimated Costs and Returns per Acre
Sorghum - Conventional Till-24 Row, Dryland, 72 bu. Yield Goal - 500 Acres
Coastal Bend Extension District - 11

Crop Acres		500			
				Total	Enterprise Total
REVENUE					
	Quantity	Units	\$/Unit	Total	Enterprise Total
Grain Sorghum, Lower Coast	72.00	Bushel	\$3.80	\$273.60	\$136,800.00
Total Revenue				\$273.60	\$136,800.00
VARIABLE COSTS					
	Quantity	Units	\$/Unit	Total	Enterprise Total
Production Costs					
Custom					
Fertilizer Application	1	CWT	\$0.10	\$0.10	\$50.00
Custom Haul - Sorghum	42	CWT	\$0.35	\$14.70	\$7,350.00
Drying - Sorghum	42	CWT	\$0.10	\$4.20	\$2,100.00
Fertilizer					
24-8-0	0.15	Ton	\$256.00	\$38.40	\$19,200.00
Herbicide					
Glyphosate (Generic)	2	Quart	\$4.00	\$8.00	\$4,000.00
Atrazine 4L	3	Pint	\$1.56	\$4.69	\$2,343.75
Sorghum PostEmerge Herbicide	1	Ounce	\$13.50	\$13.50	\$6,750.00
Seed					
Treated Sorghum Seed	4.5	Pound	\$3.20	\$14.40	\$7,200.00
Insecticide					
Headworn Control	2.6	Ounce	\$1.18	\$3.07	\$1,534.00
Stinkbug Control	2	Ounce	\$0.31	\$0.63	\$312.50
Transform	1	Ounce	\$7.19	\$7.19	\$3,593.75
Miscellaneous					
Crop Insurance -Sorghum LC	1	Acre	\$12.35	\$12.35	\$6,175.00
Pickup Milage Charge	1	Acre	\$3.88	\$3.88	\$1,940.00
Other Labor					
Hand Labor	0.04	Hour	\$16.00	\$0.64	\$320.00
Machinery Labor					
Tractors/Self-Propelled	0.83	Hour	\$19.50	\$16.19	\$8,092.50
Diesel Fuel					
Tractors/Self-Propelled	9.71	Gallon	\$2.10	\$20.39	\$10,195.50
Repairs & Maintenance					
Tractors/Self-Propelled	1	Acre	\$28.17	\$28.17	\$14,086.30
Implements	1	Acre	\$21.88	\$21.88	\$10,942.43
Interest on Credit Line			4.25%	\$4.12	\$2,062.09
Total Variable Costs				\$216.50	\$108,247.82
Planned Returns Above Variable Costs:				\$57.10	\$28,552.18
Breakeven Price to Cover Variable Costs			\$3.01	Bushel	
FIXED COSTS					
	Quantity	Units	\$/Unit	Total	Enterprise Total
Machinery Depreciation					
Tractors/Self-Propelled	1	Acre	\$32.28	\$32.28	\$16,141.56
Implements	1	Acre	\$28.02	\$28.02	\$14,008.51
Equipment Investment					
Tractors/Self-Propelled	\$246.27	Dollars	7.00%	\$17.24	\$8,619.31
Implements	\$142.20	Dollars	7.00%	\$9.95	\$4,977.12
Management Fee, Owner/Operator Labor	1	Acre	\$13.68	\$13.68	\$6,840.00
LCB - Land Charge	1	Acre	\$70.00	\$70.00	\$35,000.00
Total Fixed Costs				\$171.17	\$85,586.49
Total Specified Costs				\$387.67	\$193,834.31
Returns Above Specified Costs				(\$114.07)	(\$57,034.31)
Breakeven Price to Cover Total Costs			\$5.38	Bushel	

Example Breakeven Prices

Example Yield Percent	Example Yield Bushel	To Cover Variable Costs	To Cover Total Costs
75%	54.00	\$4.01	\$7.18
90%	64.80	\$3.34	\$5.98
100%	72.00	\$3.01	\$5.38
110%	79.20	\$2.73	\$4.89
125%	90.00	\$2.41	\$4.31

Developed by Extension Economists, 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. Brand names are mentioned only as examples and imply no endorsement.