

Projections for Planning Purposes Only -- Not to be Used without Updating
2017 Estimated Costs and Returns per Acre
Dryland Sorghum - 640 Acres
Rolling Plains Extension District - 3

Crop Acres	640				
REVENUE	Quantity	Units	\$/Unit	Total	Enterprise Total
Grain Sorghum	22.00	CWT	\$5.70	\$125.40	\$80,256.00
Total Revenue				\$125.40	\$80,256.00
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
Production Costs					
Herbicide					
Atrazine	1	Quart	\$3.50	\$3.50	\$2,240.00
Seed					
Grain Sorghum Seed	3	Pound	\$2.32	\$6.96	\$4,454.40
Custom					
Custom Harvest Sorghum	1	Acre	\$24.00	\$24.00	\$15,360.00
Custom Haul Sorghum	22	CWT	\$0.24	\$5.28	\$3,379.20
Miscellaneous					
Insurance - Grain Sorghum	1	Acre	\$8.00	\$8.00	\$5,120.00
Machinery Labor					
Tractors/Self-Propelled	1.8	Hour	\$10.00	\$18.00	\$11,520.00
Diesel Fuel					
Tractors/Self-Propelled	5.59	Gallon	\$1.65	\$9.22	\$5,903.04
Gasoline					
Pickup/General Use Equipment	1	Acre	\$2.11	\$2.11	\$1,350.00
Repairs & Maintenance					
Pickup/General Use Equipment	1	Acre	\$0.57	\$0.57	\$362.25
Tractors/Self-Propelled	1	Acre	\$11.08	\$11.08	\$7,090.73
Implements	1	Acre	\$12.79	\$12.79	\$8,188.36
Interest on Credit Line			5.75%	\$1.31	\$841.08
Total Variable Costs				\$102.83	\$65,809.06
Planned Returns Above Variable Costs:				\$22.57	\$14,446.94
Breakeven Price to Cover Variable Costs			\$4.67 CWT		
FIXED COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
Machinery Depreciation					
Pickup/General Use Equipment	1	Acre	\$0.79	\$0.79	\$502.92
Tractors/Self-Propelled	1	Acre	\$11.45	\$11.45	\$7,327.09
Implements	1	Acre	\$16.35	\$16.35	\$10,460.87
Equipment Investment					
Pickup/General Use Equipment	\$5.50	Dollars	5.50%	\$0.30	\$193.76
Tractors/Self-Propelled	\$89.19	Dollars	5.50%	\$4.91	\$3,139.42
Implements	\$69.92	Dollars	5.50%	\$3.85	\$2,461.21
Cash Rent - Grain Sorghum	1	Acre	\$32.00	\$32.00	\$20,480.00
Total Fixed Costs				\$69.63	\$44,565.27
Total Specified Costs				\$172.46	\$110,374.34
Returns Above Specified Costs				(\$47.06)	(\$30,118.34)
Breakeven Price to Cover Total Costs			\$7.84 CWT		

Example Breakeven Prices			
Example Yield Percent	Example Yield CWT	To Cover Variable Costs	To Cover Total Costs
75%	16.50	\$6.23	\$10.45
90%	19.80	\$5.19	\$8.71
100%	22.00	\$4.67	\$7.84
110%	24.20	\$4.25	\$7.13
125%	27.50	\$3.74	\$6.27

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.