

Projections for Planning Purposes Only -- Not to be Used without Updating
2017 Estimated Costs and Returns per Acre
Dryland Sorghum - 160 Acres
South Plains Extension District - 2

Crop Acres		160			
REVENUE	Quantity	Units	\$/Unit	Total	Enterprise Total
Grain Sorghum	18.00	CWT	\$7.00	\$126.00	\$20,160.00
Total Revenue				\$126.00	\$20,160.00
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
Production Costs					
Herbicide					
Herbicide and Apply Sorghum Dryland	1	Acre	\$10.50	\$10.50	\$1,680.00
Seed					
Seed - Sorghum	2.25	Pound	\$2.40	\$5.40	\$864.00
Fertilizer					
Fertilizer (N) - Liquid	30	Pound	\$0.40	\$11.95	\$1,912.50
Custom					
Custom Harvest - Sorghum Dryland	1	Acre	\$14.00	\$14.00	\$2,240.00
Custom Haul - Sorghum Dryland	18	CWT	\$0.40	\$7.20	\$1,152.00
Fertilizer Application - Liquid High	1	Acre	\$4.75	\$4.75	\$760.00
Miscellaneous					
Crop Insurance Sorghum - Dryland	1	Acre	\$16.50	\$16.50	\$2,640.00
Insecticide					
Insecticide and Apply Sorghum	1	Acre	\$25.00	\$25.00	\$4,000.00
Machinery Labor					
Tractors/Self-Propelled	1	Hour	\$12.00	\$12.00	\$1,920.00
Diesel Fuel					
Tractors/Self-Propelled	2.4	Gallon	\$1.84	\$4.42	\$706.56
Gasoline					
Pickup/General Use Equipment	1	Acre	\$3.88	\$3.88	\$620.80
Repairs & Maintenance					
Pickup/General Use Equipment	1	Acre	\$0.50	\$0.50	\$80.00
Tractors/Self-Propelled	1	Acre	\$6.00	\$6.00	\$960.00
Implements	1	Acre	\$3.00	\$3.00	\$480.00
Interest on Credit Line			6.00%	\$3.06	\$489.56
Total Variable Costs				\$128.16	\$20,505.42
Planned Returns Above Variable Costs:					
Breakeven Price to Cover Variable Costs				\$7.12	CWT
FIXED COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
Equipment Fixed Costs					
Pickup/General Use Equipment	1	Acre	\$1.25	\$1.25	\$200.00
Tractors/Self-Propelled	1	Acre	\$12.00	\$12.00	\$1,920.00
Implements	1	Acre	\$10.00	\$10.00	\$1,600.00
Management Fee, Owner/Operator Labor	1	Acre	\$15.00	\$15.00	\$2,400.00
Cash Rent - Sorghum	1	Acre	\$30.00	\$30.00	\$4,800.00
Whole Farm Insurance	1	Acre	\$2.00	\$2.00	\$320.00
Total Fixed Costs				\$70.25	\$11,240.00
Total Specified Costs				\$198.41	\$31,745.42
Returns Above Specified Costs					
Breakeven Price to Cover Total Costs				\$11.02	CWT

Example Breakeven Prices			
Exampk Yield Percent	Example Yield CWT	To Cover Variable Costs	To Cover Total Costs
75%	13.50	\$9.49	\$14.70
90%	16.20	\$7.91	\$12.25
100%	18.00	\$7.12	\$11.02
110%	19.80	\$6.47	\$10.02
125%	22.50	\$5.70	\$8.82

Developed by Jackie Smith, Professor and Extension Economist, Texas A&M AgriLife Extension, 806-746-6101.

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.