

Projections for Planning Purposes Only -- *Not to be Used without Updating*
2019 Estimated Costs and Returns per Acre
Grain Sorghum, Conventional Tillage, Furrow Irrigated, Rio Grande Valley
South Extension District - 12

Crop Acres		100				Enterprise
REVENUE	Quantity	Units	\$/Unit	Total	Total	Total
Grain Sorghum	45.00	CWT	\$6.60	\$297.00	\$29,700.00	\$29,700.00
Total Revenue				\$297.00	\$29,700.00	\$29,700.00
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Total	Enterprise
Production Costs						
Custom						
Harvest/Haul Sorghum	45	CWT	\$0.56	\$25.20	\$2,520.00	\$2,520.00
Fertilizer						
Fertilizer 25-10-0	0.2	Ton	\$462.00	\$92.40	\$9,240.00	\$9,240.00
Herbicide						
AAtrex 4L	2	Pint	\$2.48	\$4.95	\$495.28	\$495.28
Insecticide						
Transform	1	Ounce	\$7.80	\$7.80	\$780.00	\$780.00
Seed						
Grain Sorghum Seed	6	Pound	\$3.20	\$19.20	\$1,920.00	\$1,920.00
Other Labor						
Unallocated Labor	0.7232	Hour	\$12.00	\$8.68	\$867.84	\$867.84
Irrigation						
Water Cost	0.40	Acre/Foot	\$20.00	\$8.00	\$800.00	\$800.00
Irrigation Labor	1.10	Hour	\$12.00	\$13.20	\$1,320.00	\$1,320.00
Machinery Labor						
Tractors/Self-Propelled	1.38	Hour	\$12.00	\$16.56	\$1,656.00	\$1,656.00
Diesel Fuel						
Tractors/Self-Propelled	8.35	Gallon	\$2.30	\$19.21	\$1,920.50	\$1,920.50
Repairs & Maintenance						
Tractors/Self-Propelled	1	Acre	\$17.59	\$17.59	\$1,759.43	\$1,759.43
Implements	1	Acre	\$14.68	\$14.68	\$1,467.92	\$1,467.92
Interest on Credit Line			5.00%	\$5.46	\$546.30	\$546.30
Total Variable Costs				\$252.93	\$25,293.27	\$25,293.27
Planned Returns Above Variable Costs:				\$44.07	\$4,406.73	\$4,406.73
Breakeven Price to Cover Variable Costs			\$5.62	CWT		
FIXED COSTS	Quantity	Units	\$/Unit	Total	Total	Enterprise
Machinery Depreciation						
Tractors/Self-Propelled	1	Acre	\$18.18	\$18.18	\$1,818.08	\$1,818.08
Implements	1	Acre	\$17.90	\$17.90	\$1,790.17	\$1,790.17
Equipment Investment						
Tractors/Self-Propelled	\$141.63	Dollars	7.00%	\$9.91	\$991.44	\$991.44
Implements	\$82.47	Dollars	7.00%	\$5.77	\$577.26	\$577.26
Cash Rent, Irrigated	1	Acre	\$85.00	\$85.00	\$8,500.00	\$8,500.00
Total Fixed Costs				\$136.77	\$13,676.94	\$13,676.94
Total Specified Costs				\$389.70	\$38,970.21	\$38,970.21
Returns Above Specified Costs				(\$92.70)	(\$9,270.21)	(\$9,270.21)
Breakeven Price to Cover Total Costs			\$8.66	CWT		

Example Breakeven Prices				
Example	Example	To Cover	To Cover	
Yield	Yield	Variable	Total	
Percent	CWT	Costs	Costs	
75%	33.75	\$7.49	\$11.55	
90%	40.50	\$6.25	\$9.62	
100%	45.00	\$5.62	\$8.66	
110%	49.50	\$5.11	\$7.87	
125%	56.25	\$4.50	\$6.93	

Developed by Samuel Zapata, Assistant Professor and Extension Economist, Texas A&M AgriLife Extension, 956-968-5581.

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.