

Projections for Planning Purposes Only -- Not to be Used without Updating
2013 Estimated Costs and Returns per Acre
Grain Sorghum - 500 Acres
Central Texas Extension District - 8

Crop Acres		500				Enterprise
REVENUE	Quantity	Units	\$/Unit	Total	Total	Total
Sorghum	45.00	CWT	\$10.00	\$450.00		\$225,000.00
Other Revenue	0.00	Acre	\$0.00	\$0.00		\$0.00
Other Revenue	0.00	Acre	\$0.00	\$0.00		\$0.00
Total Revenue				\$450.00		\$225,000.00
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Total	Enterprise
Production Costs						
Fertilizer						
18-46-0	100	Pounds	\$0.65	\$65.00		\$32,500.00
82-0-0	100	Pounds	\$0.48	\$48.00		\$24,000.00
Herbicide						
Pre-emerge sorghum	1.5	Quart	\$6.50	\$9.75		\$4,875.00
Insecticide						
Soil Insecticide	2.5	Acre	\$8.00	\$20.00		\$10,000.00
Insecticide - Midge	1	Acre	\$3.00	\$3.00		\$1,500.00
Seed						
Treated Sorghum Seed	20	Pounds	\$1.90	\$38.00		\$19,000.00
Custom						
Dry Fertilizer Rig	1	Acre	\$3.00	\$3.00		\$1,500.00
Custom Combine	1	Acre	\$19.00	\$19.00		\$9,500.00
Custom Hauling	45	CWT	\$0.25	\$11.25		\$5,625.00
Crop Insurance						
Insurance - APH 65/100	1	Acre	\$8.00	\$8.00		\$4,000.00
Diesel Fuel						
Tractors	4.01	Gallons	\$2.65	\$10.62		\$5,307.55
Self-Propelled Equipment	0.28	Gallons	\$2.65	\$0.73		\$364.51
Repairs & Maintenance						
Implements	1	Acre	\$4.47	\$4.47		\$2,232.59
Tractors	1	Acre	\$2.93	\$2.93		\$1,464.29
Self-Propelled Equipment	1	Acre	\$0.64	\$0.64		\$321.43
Operator Labor						
Tractors	0.45	Hours	\$10.00	\$4.51		\$2,255.00
Self-Propelled Equipment	0.04	Hours	\$10.00	\$0.36		\$180.00
Interest on Credit Line			4.75%	\$5.60		\$2,799.44
Total Variable Costs				\$254.85		\$127,424.81
Planned Returns Above Variable Costs:				\$195.15		\$97,575.19
Breakeven Price to Cover Variable Costs			\$5.66	CWT		
FIXED COSTS	Quantity	Units	\$/Unit	Total	Total	Enterprise
Machinery						
Implements	1	Acre	\$10.76	\$10.76		\$5,380.96
Tractors	1	Acre	\$8.00	\$8.00		\$4,002.38
Self-Propelled Equipment	1	Acre	\$1.11	\$1.11		\$554.46
Land Rent	1	Acre	\$25.00	\$25.00		\$12,500.00
Total Fixed Costs				\$44.88		\$22,437.81
Total Specified Costs				\$299.73		\$149,862.61
Returns Above Specified Costs				\$150.27		\$75,137.39
Breakeven Price to Cover Total Costs			\$6.66	CWT		

Breakeven Prices						
Yield Percent	Yield CWT	Variable Costs			Total Costs	
		Full	Tenant	Full	Tenant	Landlord
75%	33.75	\$7.47	\$7.47	\$8.80	\$8.80	\$0.00
90%	40.50	\$6.26	\$6.26	\$7.37	\$7.37	\$0.00
100%	45.00	\$5.66	\$5.66	\$6.66	\$6.66	\$0.00
110%	49.50	\$5.17	\$5.17	\$6.08	\$6.08	\$0.00
125%	56.25	\$4.58	\$4.58	\$5.38	\$5.38	\$0.00

Developed by Jason Johnson, 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.