

Projections for Planning Purposes Only -- Not to be Used without Updating
2015 Estimated Costs and Returns per Acre
Continuous Sorghum, Furrow Irrigated (NG) - 122 Acres
Panhandle Extension District - 1

Crop Acres		122			
REVENUE	Quantity	Units	\$/Unit	Total	Enterprise Total
Grain Sorghum	65.00	CWT	\$7.00	\$455.00	\$55,510.00
Total Revenue				\$455.00	\$55,510.00
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
Production Costs					
Seed					
Seed - Sorghum	4.5	Pound	\$1.90	\$8.55	\$1,043.10
Fertilizer					
Fertilizer (N) - ANH3	100	Pound	\$0.40	\$40.00	\$4,880.00
Fertilizer (P) - Dry	40	Pound	\$0.60	\$24.00	\$2,928.00
Custom					
Fertilizer Application - ANH3	1	Acre	\$11.75	\$11.75	\$1,433.50
Fertilizer Application	1	Acre	\$5.50	\$5.50	\$671.00
Harvest and Haul - Sorghum	65	CWT	\$0.77	\$50.05	\$6,106.10
Miscellaneous					
Crop Insurance Sorghum - Irrigated	1	Acre	\$27.74	\$27.74	\$3,384.77
Herbicide					
Herbicide and Apply Sorghum Irrig.	1	Acre	\$23.20	\$23.20	\$2,830.40
Insecticide					
Insecticide and Apply Sorghum	0.33	Application	\$10.25	\$3.38	\$412.67
Irrigation					
Energy Cost	12.00	AcreInch	\$4.40	\$52.80	\$6,441.60
Irrigation Labor	1.69	Hour	\$11.75	\$19.81	\$2,416.88
Machinery Labor					
Tractors/Self-Propelled	1.23	Hour	\$11.75	\$14.45	\$1,763.21
Diesel Fuel					
Tractors/Self-Propelled	3.49	Gallon	\$3.30	\$11.52	\$1,405.07
Gasoline					
Pickup/General Use Equipment	1	Acre	\$6.13	\$6.13	\$747.50
Repairs & Maintenance					
Pickup/General Use Equipment	1	Acre	\$2.51	\$2.51	\$306.00
Irrigation Equipment	1	Acre	\$47.55	\$47.55	\$5,801.38
Tractors/Self-Propelled	1	Acre	\$5.43	\$5.43	\$662.32
Implements	1	Acre	\$13.83	\$13.83	\$1,686.66
Interest on Credit Line			4.90%	\$6.61	\$806.29
Total Variable Costs				\$374.81	\$45,726.45
Planned Returns Above Variable Costs:				\$80.19	\$9,783.55
Breakeven Price to Cover Variable Costs			\$5.77 CWT		
FIXED COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
Machinery Depreciation					
Pickup/General Use Equipment	1	Acre	\$2.63	\$2.63	\$321.30
Irrigation Equipment	1	Acre	\$14.42	\$14.42	\$1,759.40
Tractors/Self-Propelled	1	Acre	\$5.46	\$5.46	\$666.19
Implements	1	Acre	\$16.85	\$16.85	\$2,056.28
Equipment Investment					
Pickup/General Use Equipment	\$31.35	Dollars	5.40%	\$1.69	\$206.55
Irrigation Equipment	\$379.51	Dollars	5.40%	\$20.49	\$2,500.20
Tractors/Self-Propelled	\$61.65	Dollars	5.40%	\$3.33	\$406.16
Implements	\$131.09	Dollars	5.40%	\$7.08	\$863.64
Cash Rent - Sorghum f	1	Acre	\$80.75	\$80.75	\$9,851.50
Total Fixed Costs				\$152.71	\$18,631.21
Total Specified Costs				\$527.52	\$64,357.66
Returns Above Specified Costs				(\$72.52)	(\$8,847.66)
Breakeven Price to Cover Total Costs			\$8.12 CWT		

Example Breakeven Prices						
Example Yield Percent	Example Yield CWT	Price Needed to Cover Example Variable Costs		Price Needed to Cover Example Total Costs		
		Own/Rent	ShareTenant	Own/Rent	ShareTenant	Landlord
75%	48.75	\$7.69	\$7.69	\$10.82	\$10.82	\$0.00
90%	58.50	\$6.41	\$6.41	\$9.02	\$9.02	\$0.00
100%	65.00	\$5.77	\$5.77	\$8.12	\$8.12	\$0.00
110%	71.50	\$5.24	\$5.24	\$7.38	\$7.38	\$0.00
125%	81.25	\$4.61	\$4.61	\$6.49	\$6.49	\$0.00

Developed by Steve Amosson, Regents Fellow, 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. Brand names are mentioned only as examples and imply no endorsement.