

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

Crop Acres	122					Enterprise
REVENUE	Quantity	Units	\$/Unit	Total	Total	Enterprise Total
Grain Sorghum	75.00	CWT	\$7.00	\$525.00	\$64,050.00	\$64,050.00
Total Revenue				\$525.00	\$64,050.00	\$64,050.00
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Total	Enterprise Total
Production Costs						
Seed						
Seed - Sorghum	5	Pound	\$1.90	\$9.50	\$1,159.00	\$1,159.00
Fertilizer						
Fertilizer (N) - ANH3	65	Pound	\$0.40	\$26.00	\$3,172.00	\$3,172.00
Fertilizer (P) - Liquid	50	Pound	\$0.85	\$42.50	\$5,185.00	\$5,185.00
Fertilizer (N) - Liquid	60	Pound	\$0.55	\$33.00	\$4,026.00	\$4,026.00
Custom						
Fertilizer Application - ANH3	1	Acre	\$11.75	\$11.75	\$1,433.50	\$1,433.50
Harvest and Haul - Sorghum	75	CWT	\$0.77	\$57.75	\$7,045.50	\$7,045.50
Miscellaneous						
Crop Insurance Sorghum - Irrigated	1	Acre	\$27.74	\$27.74	\$3,384.77	\$3,384.77
Herbicide						
Herbicide and Apply Sorghum Irrig.	1	Acre	\$23.20	\$23.20	\$2,830.40	\$2,830.40
Insecticide						
Insecticide and Apply Sorghum	0.33	Application	\$10.25	\$3.38	\$412.67	\$412.67
Irrigation						
Energy Cost	14.00	AcreInch	\$4.40	\$61.60	\$7,515.20	\$7,515.20
Irrigation Labor	0.90	Hour	\$11.75	\$10.53	\$1,284.42	\$1,284.42
Machinery Labor						
Tractors/Self-Propelled	0.72	Hour	\$11.75	\$8.46	\$1,032.12	\$1,032.12
Diesel Fuel						
Tractors/Self-Propelled	1.97	Gallon	\$3.30	\$6.50	\$793.12	\$793.12
Gasoline						
Pickup/General Use Equipment	1	Acre	\$6.13	\$6.13	\$747.50	\$747.50
Repairs & Maintenance						
Pickup/General Use Equipment	1	Acre	\$2.51	\$2.51	\$306.00	\$306.00
Irrigation Equipment	1	Acre	\$56.56	\$56.56	\$6,900.32	\$6,900.32
Tractors/Self-Propelled	1	Acre	\$3.08	\$3.08	\$375.61	\$375.61
Implements	1	Acre	\$11.83	\$11.83	\$1,442.94	\$1,442.94
Interest on Credit Line			4.90%	\$6.96	\$849.62	\$849.62
Total Variable Costs				\$408.98	\$49,895.68	\$49,895.68
Planned Returns Above Variable Costs:				\$116.02	\$14,154.32	\$14,154.32
Breakeven Price to Cover Variable Costs			\$5.45	CWT		
FIXED COSTS	Quantity	Units	\$/Unit	Total	Total	Enterprise Total
Machinery Depreciation						
Pickup/General Use Equipment	1	Acre	\$2.63	\$2.63	\$321.30	\$321.30
Irrigation Equipment	1	Acre	\$22.50	\$22.50	\$2,745.60	\$2,745.60
Tractors/Self-Propelled	1	Acre	\$3.03	\$3.03	\$369.91	\$369.91
Implements	1	Acre	\$14.51	\$14.51	\$1,769.86	\$1,769.86
Equipment Investment						
Pickup/General Use Equipment	\$31.35	Dollars	5.40%	\$1.69	\$206.55	\$206.55
Irrigation Equipment	\$703.28	Dollars	5.40%	\$37.98	\$4,633.20	\$4,633.20
Tractors/Self-Propelled	\$34.23	Dollars	5.40%	\$1.85	\$225.53	\$225.53
Implements	\$112.83	Dollars	5.40%	\$6.09	\$743.34	\$743.34
Cash Rent - Sorghum f	1	Acre	\$80.75	\$80.75	\$9,851.50	\$9,851.50
Total Fixed Costs				\$171.04	\$20,866.79	\$20,866.79
Total Specified Costs				\$580.02	\$70,762.47	\$70,762.47
Returns Above Specified Costs				(\$55.02)	(\$6,712.47)	(\$6,712.47)
Breakeven Price to Cover Total Costs			\$7.73	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%	56.25	\$7.27	\$7.27	\$10.31	\$10.31	\$0.00
90%	67.50	\$6.06	\$6.06	\$8.59	\$8.59	\$0.00
100%	75.00	\$5.45	\$5.45	\$7.73	\$7.73	\$0.00
110%	82.50	\$4.96	\$4.96	\$7.03	\$7.03	\$0.00
125%	93.75	\$4.36	\$4.36	\$6.19	\$6.19	\$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.