

Projections for Planning Purposes Only -- Not to be Used without Updating
2015 Estimated Costs and Returns per Acre
Sorghum - Conventional Till-12 Row, Dryland, 5600 lb. Yield Goal - 500 Acres
Upper Coastal Bend Extension District - 11

Crop Acres		500			
REVENUE					
	Quantity	Units	\$/Unit	Total	Enterprise Total
Grain Sorghum, Upper Coast	56.00	CWT	\$7.45	\$417.20	\$208,600.00
Total Revenue				\$417.20	\$208,600.00
VARIABLE COSTS					
	Quantity	Units	\$/Unit	Total	Enterprise Total
Production Costs					
Seed					
Treated Sorghum Seed	7	Pound	\$3.20	\$22.40	\$11,200.00
Fertilizer					
24-8-0 UC	0.225	Ton	\$345.00	\$77.63	\$38,812.50
Custom					
Apply by Air	1	Acre	\$6.00	\$6.00	\$3,000.00
Custom Grain Haul	57	CWT	\$0.30	\$17.10	\$8,550.00
Herbicide					
Glyphosate (gal.)	0.2188	Quart	\$5.13	\$1.12	\$561.22
2, 4D Amine	2	Pint	\$1.75	\$3.50	\$1,750.00
Atrazine 4L	2	Pint	\$1.50	\$3.00	\$1,500.00
Sorghum PreEmerge Herbicide	1	Quart	\$11.00	\$11.00	\$5,500.00
Sorghum PostEmerge Herbicide U	0.5	Ounce	\$17.00	\$8.50	\$4,250.00
Miscellaneous					
Crop Insurance -Sorghum UC	1	Acre	\$9.50	\$9.50	\$4,750.00
G&A Overhead	1	Acre	\$10.50	\$10.50	\$5,250.00
Other Chemicals					
Crop Oil	0.5	Pint	\$1.88	\$0.94	\$470.00
Surfactant	0.015	Pint	\$1.61	\$0.02	\$12.08
Insecticide					
Cutworm Control	1.25	Ounce	\$0.70	\$0.88	\$437.50
Worm Control	0.0285	Gallon	\$153.00	\$4.36	\$2,180.25
Other Labor					
Hand Labor	0.21	Hour	\$13.75	\$2.89	\$1,443.75
Machinery Labor					
Tractors/Self-Propelled	0.87	Hour	\$19.50	\$16.97	\$8,482.50
Diesel Fuel					
Tractors/Self-Propelled	9.57	Gallon	\$3.30	\$31.58	\$15,790.50
Repairs & Maintenance					
Tractors/Self-Propelled	1	Acre	\$24.20	\$24.20	\$12,098.83
Implements	1	Acre	\$18.19	\$18.19	\$9,097.38
Interest on Credit Line					
			5.00%	\$6.39	\$3,194.18
Total Variable Costs				\$276.66	\$138,330.68
Planned Returns Above Variable Costs:				\$140.54	\$70,269.32
Breakeven Price to Cover Variable Costs			\$4.94	CWT	
FIXED COSTS					
	Quantity	Units	\$/Unit	Total	Enterprise Total
Machinery Depreciation					
Tractors/Self-Propelled	1	Acre	\$24.76	\$24.76	\$12,380.66
Implements	1	Acre	\$21.40	\$21.40	\$10,702.18
Equipment Investment					
Tractors/Self-Propelled	\$280.96	Dollars	7.00%	\$19.67	\$9,833.45
Implements	\$198.19	Dollars	7.00%	\$13.87	\$6,936.49
Management Fee, Owner/Operator Labor					
UCB - Land Charge	1	Acre	\$20.86	\$20.86	\$10,430.00
UCB - Land Charge	1	Acre	\$85.00	\$85.00	\$42,500.00
Total Fixed Costs				\$185.57	\$92,782.78
Total Specified Costs				\$462.23	\$231,113.46
Returns Above Specified Costs				(\$45.03)	(\$22,513.46)
Breakeven Price to Cover Total Costs			\$8.25	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	Share Tenant	Own/Rent	Share Tenant	Landlord
75%	42.00	\$6.59	\$6.59	\$11.01	\$11.01	\$0.00
90%	50.40	\$5.49	\$5.49	\$9.17	\$9.17	\$0.00
100%	56.00	\$4.94	\$4.94	\$8.25	\$8.25	\$0.00
110%	61.60	\$4.49	\$4.49	\$7.50	\$7.50	\$0.00
125%	70.00	\$3.95	\$3.95	\$6.60	\$6.60	\$0.00

Developed by Levi Russell, Assistant Professor and Extension Economist, Texas A&M AgriLife Extension Service.

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.