

Projections for Planning Purposes Only -- *Not to be Used without Updating*
2015 Estimated Costs and Returns per Acre
Grain Sorghum, Conventional Tillage, Furrow Irrigated, Rio Grande Valley - 100 Acres
South Extension District - 12

Crop Acres		100				
REVENUE		Quantity	Units	\$/Unit	Total	Enterprise Total
Grain Sorghum		43.00	CWT	\$7.50	\$322.50	\$32,250.00
Total Revenue					\$322.50	\$32,250.00
VARIABLE COSTS		Quantity	Units	\$/Unit	Total	Enterprise Total
Production Costs						
Custom						
	Harvest/Haul Sorghum	43	CWT	\$0.90	\$38.70	\$3,870.00
Fertilizer						
	Fertilizer 25-10-0	0.2	Ton	\$360.00	\$72.00	\$7,200.00
Herbicide						
	AAtrex 4L	2	Pint	\$2.08	\$4.16	\$416.00
Seed						
	Grain Sorghum Seed	6	Pound	\$3.20	\$19.20	\$1,920.00
Other Labor						
	Unallocated Labor	0.7232	Hour	\$9.00	\$6.51	\$650.88
Irrigation						
	Water Cost	0.40	Acre/Foot	\$20.00	\$8.00	\$800.00
	Irrigation Labor	1.10	Hour	\$9.00	\$9.90	\$990.00
Machinery Labor						
	Tractors/Self-Propelled	1.32	Hour	\$9.00	\$11.88	\$1,188.00
Diesel Fuel						
	Tractors/Self-Propelled	7.94	Gallon	\$3.00	\$23.82	\$2,382.00
Repairs & Maintenance						
	Tractors/Self-Propelled	1	Acre	\$14.24	\$14.24	\$1,424.19
	Implements	1	Acre	\$17.70	\$17.70	\$1,769.53
Interest on Credit Line				9.00%	\$7.90	\$790.30
Total Variable Costs					\$234.01	\$23,400.89
Planned Returns Above Variable Costs:					\$88.49	\$8,849.11
Breakeven Price to Cover Variable Costs				\$5.44	CWT	
FIXED COSTS		Quantity	Units	\$/Unit	Total	Enterprise Total
Machinery Depreciation						
	Tractors/Self-Propelled	1	Acre	\$14.72	\$14.72	\$1,471.66
	Implements	1	Acre	\$21.31	\$21.31	\$2,130.93
Equipment Investment						
	Tractors/Self-Propelled	\$166.15	Dollars	9.00%	\$14.95	\$1,495.39
	Implements	\$174.89	Dollars	9.00%	\$15.74	\$1,574.03
Total Fixed Costs					\$66.72	\$6,672.01
Total Specified Costs					\$300.73	\$30,072.91
Returns Above Specified Costs					\$21.77	\$2,177.09
Breakeven Price to Cover Total Costs				\$6.99	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%	32.25	\$7.26	\$10.83	\$9.32	\$13.92	\$0.00
90%	38.70	\$6.05	\$9.02	\$7.77	\$11.60	\$0.00
100%	43.00	\$5.44	\$8.12	\$6.99	\$10.44	\$0.00
110%	47.30	\$4.95	\$7.38	\$6.36	\$9.49	\$0.00
125%	53.75	\$4.35	\$6.50	\$5.59	\$8.35	\$0.00

Developed by Luis Ribera, 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. Brand names are mentioned only as examples and imply no endorsement.