

Projections for Planning Purposes Only -- *Not to be Used without Updating*
2016 Estimated Costs and Returns per Acre
Sorghum, Dryland, Continuous, Minimum Tillage - 160 Acres
Panhandle Extension District - 1

Crop Acres		160			
				Total	Enterprise Total
REVENUE					
Grain Sorghum	Quantity	Units	\$/Unit	\$161.25	\$25,800.00
	25.00	CWT	\$6.45		
Total Revenue				\$161.25	\$25,800.00
VARIABLE COSTS					
				Total	Enterprise Total
Production Costs					
Herbicide					
Herbicide and Apply Sorghum	1	Acre	\$19.06	\$19.06	\$3,050.39
Seed					
Seed - Sorghum	2.25	Pound	\$1.92	\$4.31	\$690.02
Fertilizer					
Fertilizer (N) - ANH3	30	Pound	\$0.36	\$10.80	\$1,728.00
Custom					
Fertilizer Application - ANH3	1	Acre	\$12.07	\$12.07	\$1,931.70
Custom Harvest - Sorghum Dryland	1	Acre	\$22.45	\$22.45	\$3,592.14
Custom Haul - Sorghum Dryland	25	CWT	\$0.25	\$6.17	\$986.40
Miscellaneous					
Crop Insurance Sorghum - Dryland	1	Acre	\$19.00	\$19.00	\$3,040.00
Insecticide					
Insecticide and Apply Sorghum	0.67	Application	\$9.79	\$6.56	\$1,049.79
Machinery Labor					
Tractors/Self-Propelled	0.69	Hour	\$11.97	\$8.26	\$1,321.20
Diesel Fuel					
Tractors/Self-Propelled	1.93	Gallon	\$1.97	\$3.80	\$608.34
Gasoline					
Pickup/General Use Equipment	1	Acre	\$4.18	\$4.18	\$669.50
Repairs & Maintenance					
Pickup/General Use Equipment	1	Acre	\$2.49	\$2.49	\$397.80
Tractors/Self-Propelled	1	Acre	\$3.03	\$3.03	\$485.43
Implements	1	Acre	\$9.98	\$9.98	\$1,596.95
Interest on Credit Line			5.15%	\$2.26	\$361.25
Total Variable Costs				\$134.43	\$21,508.90
Planned Returns Above Variable Costs:				\$26.82	\$4,291.10
Breakeven Price to Cover Variable Costs			\$5.38	CWT	
FIXED COSTS					
				Total	Enterprise Total
Machinery Depreciation					
Pickup/General Use Equipment	1	Acre	\$2.61	\$2.61	\$417.69
Tractors/Self-Propelled	1	Acre	\$2.99	\$2.99	\$477.72
Implements	1	Acre	\$12.69	\$12.69	\$2,029.94
Equipment Investment					
Pickup/General Use Equipment	\$18.03	Dollars	5.40%	\$0.97	\$155.74
Tractors/Self-Propelled	\$23.26	Dollars	5.40%	\$1.26	\$200.97
Implements	\$54.27	Dollars	5.40%	\$2.93	\$468.92
Cash Rent - Sorghum	1	Acre	\$27.50	\$27.50	\$4,400.00
Total Fixed Costs				\$50.94	\$8,150.97
Total Specified Costs				\$185.37	\$29,659.88
Returns Above Specified Costs				(\$24.12)	(\$3,859.88)
Breakeven Price to Cover Total Costs			\$7.41	CWT	

Example Breakeven Prices			
Example Yield Percent	Example Yield CWT	Price Needed to Cover Your Variable Costs	Price Needed to Cover Your Total Costs
75%	18.75	\$7.17	\$9.89
90%	22.50	\$5.97	\$8.24
100%	25.00	\$5.38	\$7.41
110%	27.50	\$4.89	\$6.74
125%	31.25	\$4.30	\$5.93

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.