

Projections for Planning Purposes Only -- *Not to be Used without Updating*
2016 Estimated Costs and Returns per Acre
Dryland Sorghum - 100 Acres
Southwest Extension District - 10

Crop Acres		100		Enterprise	
REVENUE	Quantity	Units	\$/Unit	Total	Total
Sorghum	30.00	CWT	\$7.70	\$231.00	\$23,100.00
Total Revenue				\$231.00	\$23,100.00
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Total
Production Costs					
Herbicide					
Atrazine 4L	4	Pint	\$1.93	\$7.72	\$772.00
Seed					
Sorghum Concept Seed	4	Pound	\$3.50	\$14.00	\$1,400.00
Fertilizer					
UAN(32% N)	0.88	CWT	\$16.00	\$14.08	\$1,408.00
Fertilizer 18-46-0	65	Pound	\$0.27	\$17.55	\$1,755.00
Custom					
Haul Sorghum	30	CWT	\$0.18	\$5.40	\$540.00
Miscellaneous					
Crop Insurance - Grain Sorghum Dry	1	Acre	\$11.00	\$11.00	\$1,100.00
Miscellaneous Sorghum Overhead	1	Acre	\$4.00	\$4.00	\$400.00
Insecticide					
Lorsban 4E	1	Pint	\$5.03	\$5.03	\$503.00
Dimethoate 4E	0.5	Pint	\$5.50	\$2.75	\$275.00
Machinery Labor					
Tractors/Self-Propelled	1.34	Hour	\$12.00	\$16.08	\$1,608.00
Diesel Fuel					
Tractors/Self-Propelled	9.75	Gallon	\$2.10	\$20.48	\$2,047.50
Gasoline					
Pickup/General Use Equipment	1	Acre	\$19.35	\$19.35	\$1,935.20
Repairs & Maintenance					
Pickup/General Use Equipment	1	Acre	\$4.84	\$4.84	\$483.84
Tractors/Self-Propelled	1	Acre	\$25.88	\$25.88	\$2,587.65
Implements	1	Acre	\$17.86	\$17.86	\$1,785.59
Interest on Credit Line			6.50%	\$5.57	\$557.35
Total Variable Costs				\$191.58	\$19,158.13
Planned Returns Above Variable Costs:				\$39.42	\$3,941.87
Breakeven Price to Cover Variable Costs			\$6.39 CWT		
FIXED COSTS	Quantity	Units	\$/Unit	Total	Total
Machinery Depreciation					
Pickup/General Use Equipment	1	Acre	\$25.20	\$25.20	\$2,520.00
Tractors/Self-Propelled	1	Acre	\$28.37	\$28.37	\$2,836.82
Implements	1	Acre	\$21.66	\$21.66	\$2,166.41
Equipment Investment					
Pickup/General Use Equipment	\$105.00	Dollars	6.50%	\$6.83	\$682.50
Tractors/Self-Propelled	\$217.90	Dollars	6.50%	\$14.16	\$1,416.33
Implements	\$99.91	Dollars	6.50%	\$6.49	\$649.40
Dryland Winter Garden Rent	1	Acre	\$20.00	\$20.00	\$2,000.00
Total Fixed Costs				\$122.71	\$12,271.46
Total Specified Costs				\$314.30	\$31,429.59
Returns Above Specified Costs				(\$83.30)	(\$8,329.59)
Breakeven Price to Cover Total Costs			\$10.48 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%	22.50	\$8.51	\$13.97
90%	27.00	\$7.10	\$11.64
100%	30.00	\$6.39	\$10.48
110%	33.00	\$5.81	\$9.52
125%	37.50	\$5.11	\$8.38

Developed by Rob Hogan, 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.