

Projections for Planning Purposes Only -- Not to be Used without Updating
2016 Estimated Costs and Returns per Acre
Irrigated Sorghum - 122 Acres
Southwest Extension District - 10

Crop Acres		122			
REVENUE	Quantity	Units	\$/Unit	Total	Enterprise Total
Sorghum	65.00	CWT	\$7.70	\$500.50	\$61,061.00
Total Revenue				\$500.50	\$61,061.00
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
Production Costs					
Herbicide					
Atrazine 4L	4	Pint	\$1.93	\$7.72	\$941.84
Prowl H2O	2.5	Pint	\$5.06	\$12.65	\$1,543.30
Seed					
Sorghum Concept Seed	8	Pound	\$3.50	\$28.00	\$3,416.00
Fertilizer					
UAN(32% N)	1.77	CWT	\$16.00	\$28.32	\$3,455.04
Fertilizer 18-46-0	130	Pound	\$0.27	\$35.10	\$4,282.20
Custom					
Haul Sorghum	65	CWT	\$0.18	\$11.70	\$1,427.40
Miscellaneous					
Crop Insurance - Grain Sorghum Irrigated	1	Acre	\$17.00	\$17.00	\$2,074.00
Miscellaneous Sorghum Overhead	1	Acre	\$4.00	\$4.00	\$488.00
Insecticide					
Lorsban 4E	1	Pint	\$5.03	\$5.03	\$613.66
Dimethoate 4E	1	Pint	\$5.50	\$5.50	\$671.00
Irrigation					
Energy Cost	552.50	kWh	\$0.17	\$93.93	\$11,458.85
Machinery Labor					
Tractors/Self-Propelled	1.49	Hour	\$12.00	\$17.88	\$2,181.36
Diesel Fuel					
Tractors/Self-Propelled	10.78	Gallon	\$2.10	\$22.64	\$2,761.84
Gasoline					
Pickup/General Use Equipment	1	Acre	\$19.35	\$19.35	\$2,361.29
Repairs & Maintenance					
Pickup/General Use Equipment	1	Acre	\$4.84	\$4.84	\$590.37
Irrigation Equipment	1	Acre	\$5.75	\$5.75	\$701.01
Tractors/Self-Propelled	1	Acre	\$28.10	\$28.10	\$3,427.79
Implements	1	Acre	\$18.90	\$18.90	\$2,305.85
Interest on Credit Line			6.50%	\$11.96	\$1,459.60
Total Variable Costs				\$378.36	\$46,160.39
Planned Returns Above Variable Costs:				\$122.14	\$14,900.61
Breakeven Price to Cover Variable Costs			\$5.82 CWT		
FIXED COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
Machinery Depreciation					
Pickup/General Use Equipment	1	Acre	\$25.20	\$25.20	\$3,074.85
Irrigation Equipment	1	Acre	\$56.20	\$56.20	\$6,856.67
Tractors/Self-Propelled	1	Acre	\$30.66	\$30.66	\$3,740.81
Implements	1	Acre	\$22.84	\$22.84	\$2,786.38
Equipment Investment					
Pickup/General Use Equipment	\$105.02	Dollars	6.50%	\$6.83	\$832.77
Irrigation Equipment	\$421.52	Dollars	6.50%	\$27.40	\$3,342.63
Tractors/Self-Propelled	\$235.77	Dollars	6.50%	\$15.32	\$1,869.64
Implements	\$104.93	Dollars	6.50%	\$6.82	\$832.13
Irrigated Winter Garden Rent	1	Acre	\$50.00	\$50.00	\$6,100.00
Total Fixed Costs				\$241.28	\$29,435.87
Total Specified Costs				\$619.64	\$75,596.27
Returns Above Specified Costs				(\$119.14)	(\$14,535.27)
Breakeven Price to Cover Total Costs			\$9.53 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%	48.75	\$7.76	\$12.71
90%	58.50	\$6.47	\$10.59
100%	65.00	\$5.82	\$9.53
110%	71.50	\$5.29	\$8.67
125%	81.25	\$4.66	\$7.63

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.