

Projections for Planning Purposes Only -- *Not to be Used without Updating*
2017 Estimated Costs and Returns per Acre
Rotation, Sorghum-Fallow-Wheat, Minimum Till, Sorghum - 160 Acres
Panhandle Extension District - 1

Crop Acres		160				
REVENUE		Quantity	Units	\$/Unit	Total	Enterprise Total
Grain Sorghum		25.00	CWT	\$5.75	\$143.75	\$23,000.00
Total Revenue					\$143.75	\$23,000.00
VARIABLE COSTS		Quantity	Units	\$/Unit	Total	Enterprise Total
Production Costs						
Custom						
Fertilizer Application - ANH3		1	Acre	\$15.00	\$15.00	\$2,400.00
Custom Harvest - Sorghum Dryland		1	Acre	\$25.00	\$25.00	\$4,000.00
Custom Haul - Sorghum Dryland		25	CWT	\$0.25	\$6.25	\$1,000.00
Fertilizer						
Fertilizer (N) - ANH3		40	Pound	\$0.25	\$10.00	\$1,600.00
Herbicide						
Herbicide and Apply Sorghum		1	Acre	\$19.20	\$19.20	\$3,072.00
Insecticide						
Insecticide Head Worm		0.33	Application	\$9.80	\$3.23	\$517.44
Insecticide Sugar Cane Aphid		1	Application	\$21.00	\$21.00	\$3,360.00
Miscellaneous						
Crop Insurance Sorghum - Dryland		1	Acre	\$17.40	\$17.40	\$2,784.00
Seed						
Seed - Sorghum		2.25	Pound	\$1.85	\$4.16	\$666.00
Machinery Labor						
Tractors/Self-Propelled		0.68	Hour	\$12.25	\$8.33	\$1,332.80
Diesel Fuel						
Tractors/Self-Propelled		1.91	Gallon	\$1.81	\$3.46	\$553.14
Gasoline						
Pickup/General Use Equipment		1	Acre	\$3.92	\$3.92	\$627.25
Repairs & Maintenance						
Pickup/General Use Equipment		1	Acre	\$2.49	\$2.49	\$397.80
Tractors/Self-Propelled		1	Acre	\$3.68	\$3.68	\$589.31
Implements		1	Acre	\$10.18	\$10.18	\$1,628.69
Interest on Credit Line				5.40%	\$2.42	\$386.69
Total Variable Costs					\$155.72	\$24,915.10
Planned Returns Above Variable Costs:					(\$11.97)	(\$1,915.10)
Breakeven Price to Cover Variable Costs				\$6.23	CWT	
FIXED COSTS		Quantity	Units	\$/Unit	Total	Enterprise Total
Machinery Depreciation						
Pickup/General Use Equipment		1	Acre	\$2.61	\$2.61	\$417.69
Tractors/Self-Propelled		1	Acre	\$3.58	\$3.58	\$572.47
Implements		1	Acre	\$13.17	\$13.17	\$2,106.77
Equipment Investment						
Pickup/General Use Equipment		\$18.03	Dollars	5.65%	\$1.02	\$162.95
Tractors/Self-Propelled		\$27.87	Dollars	5.65%	\$1.57	\$251.97
Implements		\$56.33	Dollars	5.65%	\$3.18	\$509.19
Cash Rent - Sorghum		1	Acre	\$26.50	\$26.50	\$4,240.00
Total Fixed Costs					\$51.63	\$8,261.05
Total Specified Costs					\$207.35	\$33,176.15
Returns Above Specified Costs					(\$63.60)	(\$10,176.15)
Breakeven Price to Cover Total Costs				\$8.29	CWT	

Example Breakeven Prices			
Example Yield Percent	Example Yield CWT	To Cover Variable Costs	To Cover Total Costs
75%	18.75	\$8.31	\$11.06
90%	22.50	\$6.92	\$9.22
100%	25.00	\$6.23	\$8.29
110%	27.50	\$5.66	\$7.54
125%	31.25	\$4.98	\$6.64

Developed by Steve Amosson, Regents Fellow, Professor and Extension Economist, Texas A&M AgriLife Extension, 806-677-5600.

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.