

Projections for Planning Purposes Only -- Not to be Used without Updating
2017 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	\$5.54	\$360.10	\$43,932.20
Total Revenue				\$360.10	\$43,932.20
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
Production Costs					
Herbicide					
Atrazine 4L	4	Pint	\$1.92	\$7.68	\$936.96
Prowl H2O	2.5	Pint	\$5.63	\$14.08	\$1,717.15
Seed					
Sorghum Concept Seed	8	Pound	\$3.50	\$28.00	\$3,416.00
Fertilizer					
UAN(32% N)	1.77	CWT	\$12.00	\$21.24	\$2,591.28
Fertilizer 18-46-0	130	Pound	\$0.22	\$28.60	\$3,489.20
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	\$1.83	\$19.73	\$2,406.74
Gasoline					
Pickup/General Use Equipment	1	Acre	\$20.23	\$20.23	\$2,467.54
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	\$31.06	\$31.06	\$3,789.05
Implements	1	Acre	\$17.52	\$17.52	\$2,137.01
Interest on Credit Line			6.50%	\$11.37	\$1,387.54
Total Variable Costs				\$365.12	\$44,544.13
Planned Returns Above Variable Costs:				(\$5.02)	(\$611.93)
Breakeven Price to Cover Variable Costs			\$5.62 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	\$32.91	\$32.91	\$4,015.30
Implements	1	Acre	\$21.18	\$21.18	\$2,584.45
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	\$251.36	Dollars	6.50%	\$16.34	\$1,993.28
Implements	\$99.30	Dollars	6.50%	\$6.45	\$787.42
Irrigated Winter Garden Rent	1	Acre	\$50.00	\$50.00	\$6,100.00
Total Fixed Costs				\$242.52	\$29,587.36
Total Specified Costs				\$607.64	\$74,131.49
Returns Above Specified Costs				(\$247.54)	(\$30,199.29)
Breakeven Price to Cover Total Costs			\$9.35 CWT		

Example Breakeven Prices			
Example Yield Percent	Example Yield CWT	To Cover Variable Costs	To Cover Total Costs
75%	48.75	\$7.49	\$12.46
90%	58.50	\$6.24	\$10.39
100%	65.00	\$5.62	\$9.35
110%	71.50	\$5.11	\$8.50
125%	81.25	\$4.49	\$7.48

Developed by Rob Hogan, Associate Professor and Extension Economist, Texas A&M AgriLife Extension, 830-278-9151.

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.