

Projections for Planning Purposes Only -- *Not to be Used without Updating*
2017 Estimated Costs and Returns per Acre
Grain Sorghum, Conventional Tillage, Dryland, Rio Grande Valley
South Extension District - 12

Crop Acres		100				
		Quantity	Units	\$/Unit	Total	Enterprise Total
REVENUE						
Grain Sorghum		30.00	CWT	\$7.10	\$213.00	\$21,300.00
Total Revenue					\$213.00	\$21,300.00
VARIABLE COSTS						
Production Costs						
Herbicide						
AAtrex 4L		2	Pint	\$2.35	\$4.71	\$470.80
Seed						
Grain Sorghum Seed		4.5	Pound	\$4.00	\$18.00	\$1,800.00
Fertilizer						
Fertilizer 25-10-0		0.12	Ton	\$335.00	\$40.20	\$4,020.00
Custom						
Harvest/Haul Sorghum		30	CWT	\$0.90	\$27.00	\$2,700.00
Other Labor						
Unallocated Labor		0.7072	Hour	\$12.00	\$8.49	\$848.64
Machinery Labor						
Tractors/Self-Propelled		1.27	Hour	\$12.00	\$15.24	\$1,524.00
Diesel Fuel						
Tractors/Self-Propelled		7.66	Gallon	\$2.10	\$16.09	\$1,608.60
Repairs & Maintenance						
Tractors/Self-Propelled		1	Acre	\$16.28	\$16.28	\$1,628.45
Implements		1	Acre	\$14.56	\$14.56	\$1,456.08
Interest on Credit Line				5.00%	\$3.40	\$339.54
Total Variable Costs					\$163.96	\$16,396.12
Planned Returns Above Variable Costs:					\$49.04	\$4,903.88
Breakeven Price to Cover Variable Costs				\$5.47	CWT	
FIXED COSTS						
Machinery Depreciation						
Tractors/Self-Propelled		1	Acre	\$16.83	\$16.83	\$1,682.74
Implements		1	Acre	\$17.64	\$17.64	\$1,764.21
Equipment Investment						
Tractors/Self-Propelled		\$131.09	Dollars	7.00%	\$9.18	\$917.63
Implements		\$81.11	Dollars	7.00%	\$5.68	\$567.80
Total Fixed Costs					\$49.32	\$4,932.38
Total Specified Costs					\$213.28	\$21,328.50
Returns Above Specified Costs					(\$0.28)	(\$28.50)
Breakeven Price to Cover Total Costs				\$7.11	CWT	

Example Yield Percent	Example Yield CWT	To Cover Variable Costs	To Cover Total Costs
75%	22.50	\$7.29	\$9.48
90%	27.00	\$6.07	\$7.90
100%	30.00	\$5.47	\$7.11
110%	33.00	\$4.97	\$6.46
125%	37.50	\$4.37	\$5.69

Developed by Samuel Zapata, Assistant Professor and Extension Economist, Texas A&M AgriLife Extension, 956-968-5581.

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.