

Projections for Planning Purposes Only -- Not to be Used without Updating
2018 Estimated Costs and Returns per Acre
Sorghum - Conventional Till-24 Row, Dryland, 72 bu. Yield Goal
Coastal Bend Extension District - 11

Crop Acres		500			
				Total	Enterprise Total
REVENUE					
	Quantity	Units	\$/Unit	Total	Total
Grain Sorghum, Lower Coast	72.00	Bushel	\$3.50	\$252.00	\$126,000.00
Total Revenue				\$252.00	\$126,000.00
VARIABLE COSTS					
	Quantity	Units	\$/Unit	Total	Enterprise Total
Production Costs					
Custom					
Fertilizer Application	1	CWT	\$0.10	\$0.10	\$50.00
Custom Haul - Sorghum	42	CWT	\$0.35	\$14.70	\$7,350.00
Drying - Sorghum	42	CWT	\$0.10	\$4.20	\$2,100.00
Fertilizer					
24-8-0	0.15	Ton	\$222.00	\$33.30	\$16,650.00
Herbicide					
Glyphosate (Generic)	2	Quart	\$4.25	\$8.50	\$4,250.00
Atrazine 4L	3	Pint	\$1.88	\$5.64	\$2,820.00
Sorghum PostEmerge Herbicide	1	Ounce	\$16.00	\$16.00	\$8,000.00
Insecticide					
Headworm Control	2.6	Ounce	\$1.18	\$3.07	\$1,534.00
Transform	1	Ounce	\$7.81	\$7.81	\$3,905.00
Stinkbug Control	2	Ounce	\$0.33	\$0.66	\$330.00
Miscellaneous					
Crop Insurance -Sorghum LC	1	Acre	\$10.88	\$10.88	\$5,440.00
Pickup Milage Charge	1	Acre	\$3.88	\$3.88	\$1,940.00
Other Labor					
Hand Labor	0.04	Hour	\$16.00	\$0.64	\$320.00
Seed					
Treated Sorghum Seed	4.5	Pound	\$3.20	\$14.40	\$7,200.00
Machinery Labor					
Tractors/Self-Propelled	0.83	Hour	\$19.50	\$16.19	\$8,092.50
Diesel Fuel					
Tractors/Self-Propelled	9.9	Gallon	\$2.30	\$22.77	\$11,385.00
Repairs & Maintenance					
Tractors/Self-Propelled	1	Acre	\$30.71	\$30.71	\$15,352.84
Implements	1	Acre	\$16.99	\$16.99	\$8,493.77
Interest on Credit Line			5.50%	\$5.41	\$2,702.77
Total Variable Costs				\$215.83	\$107,915.89
Planned Returns Above Variable Costs:				\$36.17	\$18,084.11
Breakeven Price to Cover Variable Costs			\$3.00	Bushel	
FIXED COSTS					
	Quantity	Units	\$/Unit	Total	Enterprise Total
Machinery Depreciation					
Tractors/Self-Propelled	1	Acre	\$35.22	\$35.22	\$17,611.52
Implements	1	Acre	\$22.01	\$22.01	\$11,005.74
Equipment Investment					
Tractors/Self-Propelled	\$268.97	Dollars	6.00%	\$16.14	\$8,069.10
Implements	\$112.70	Dollars	6.00%	\$6.76	\$3,380.93
Management Fee, Owner/Operator Labor	1	Acre	\$12.60	\$12.60	\$6,300.00
LCB - Land Charge	1	Acre	\$70.00	\$70.00	\$35,000.00
Total Fixed Costs				\$162.73	\$81,367.28
Total Specified Costs				\$378.57	\$189,283.17
Returns Above Specified Costs				(\$126.57)	(\$63,283.17)
Breakeven Price to Cover Total Costs			\$5.26	Bushel	

Example Breakeven Prices			
Example Yield Percent	Example Yield Bushel	To Cover Variable Costs	To Cover Total Costs
75%	54.00	\$4.00	\$7.01
90%	64.80	\$3.33	\$5.84
100%	72.00	\$3.00	\$5.26
110%	79.20	\$2.73	\$4.78
125%	90.00	\$2.40	\$4.21

Developed by Extension Economists, Texas A&M AgriLife Extension Service, budgets@tamu.edu.

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.