

Projections for Planning Purposes Only -- Not to be Used without Updating
2018 Estimated Costs and Returns per Acre
Grain Sorghum, Reduced Tillage, Furrow Irrigated, Rio Grande Valley
South Extension District - 12

Crop Acres		100			
REVENUE	Quantity	Units	\$/Unit	Total	Enterprise Total
Grain Sorghum	45.00	CWT	\$6.10	\$274.50	\$27,450.00
Total Revenue				\$274.50	\$27,450.00
VARIABLE COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
Production Costs					
Custom					
Harvest/Haul Sorghum	45	CWT	\$0.90	\$40.50	\$4,050.00
Fertilizer					
Fertilizer 25-10-0	0.2	Ton	\$360.80	\$72.16	\$7,215.90
Herbicide					
Glyphosate	3.25	Pint	\$2.61	\$8.48	\$847.91
AAtrex 4L	2	Pint	\$2.48	\$4.95	\$495.28
Insecticide					
Transform	1	Ounce	\$7.80	\$7.80	\$780.00
Seed					
Grain Sorghum Seed	6	Pound	\$3.97	\$23.82	\$2,382.24
Other Labor					
Unallocated Labor	0.22	Hour	\$12.00	\$2.64	\$264.00
Irrigation					
Water Cost	0.40	Acre/Foot	\$20.00	\$8.00	\$800.00
Irrigation Labor	1.10	Hour	\$12.00	\$13.20	\$1,320.00
Machinery Labor					
Tractors/Self-Propelled	0.85	Hour	\$12.00	\$10.20	\$1,020.00
Diesel Fuel					
Tractors/Self-Propelled	4.1	Gallon	\$2.10	\$8.61	\$861.00
Repairs & Maintenance					
Tractors/Self-Propelled	1	Acre	\$7.49	\$7.49	\$748.85
Implements	1	Acre	\$8.29	\$8.29	\$828.75
Interest on Credit Line			5.00%	\$3.79	\$378.63
Total Variable Costs				\$219.93	\$21,992.56
Planned Returns Above Variable Costs:				\$54.57	\$5,457.44
Breakeven Price to Cover Variable Costs			\$4.89 CWT		
FIXED COSTS	Quantity	Units	\$/Unit	Total	Enterprise Total
Machinery Depreciation					
Tractors/Self-Propelled	1	Acre	\$8.69	\$8.69	\$869.09
Implements	1	Acre	\$10.01	\$10.01	\$1,000.87
Equipment Investment					
Tractors/Self-Propelled	\$67.26	Dollars	7.00%	\$4.71	\$470.83
Implements	\$49.06	Dollars	7.00%	\$3.43	\$343.43
Cash Rent, Irrigated	1	Acre	\$85.00	\$85.00	\$8,500.00
Total Fixed Costs				\$111.84	\$11,184.22
Total Specified Costs				\$331.77	\$33,176.78
Returns Above Specified Costs				(\$57.27)	(\$5,726.78)
Breakeven Price to Cover Total Costs			\$7.37 CWT		

Example Breakeven Prices			
Example Yield Percent	Example Yield CWT	To Cover Variable Costs	To Cover Total Costs
75%	33.75	\$6.52	\$9.83
90%	40.50	\$5.43	\$8.19
100%	45.00	\$4.89	\$7.37
110%	49.50	\$4.44	\$6.70
125%	56.25	\$3.91	\$5.90

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.