

Projections for Planning Purposes Only -- Not to be Used without Updating
2018 Estimated Costs and Returns per Acre
Dryland Sorghum
South Plains Extension District - 2

Crop Acres		160				
REVENUE		Quantity	Units	\$/Unit	Total	Enterprise Total
Grain Sorghum		18.00	CWT	\$6.50	\$117.00	\$18,720.00
Total Revenue					\$117.00	\$18,720.00
VARIABLE COSTS		Quantity	Units	\$/Unit	Total	Enterprise Total
Production Costs						
Herbicide						
	Herbicide and Apply Sorghum Dryland	1	Acre	\$10.50	\$10.50	\$1,680.00
Seed						
	Seed - Sorghum	2.25	Pound	\$2.40	\$5.40	\$864.00
Fertilizer						
	Fertilizer (N) - Liquid	30	Pound	\$0.39	\$11.72	\$1,875.00
Custom						
	Custom Harvest - Sorghum Dryland	1	Acre	\$14.00	\$14.00	\$2,240.00
	Custom Haul - Sorghum Dryland	18	CWT	\$0.40	\$7.20	\$1,152.00
	Fertilizer Application - Liquid High	1	Acre	\$4.75	\$4.75	\$760.00
Miscellaneous						
	Crop Insurance Sorghum - Dryland	1	Acre	\$16.50	\$16.50	\$2,640.00
Insecticide						
	Insecticide and Apply Sorghum	1	Acre	\$25.00	\$25.00	\$4,000.00
Machinery Labor						
	Tractors/Self-Propelled	0.47	Hour	\$12.00	\$5.64	\$902.40
	Other Labor	0.53	Hour	\$12.00	\$6.36	\$1,017.60
Diesel Fuel						
	Tractors/Self-Propelled	2.4	Gallon	\$2.30	\$5.52	\$883.20
Gasoline						
	Pickup/General Use Equipment	1	Acre	\$6.00	\$6.00	\$960.00
Repairs & Maintenance						
	Pickup/General Use Equipment	1	Acre	\$0.50	\$0.50	\$80.00
	Tractors/Self-Propelled	1	Acre	\$6.00	\$6.00	\$960.00
	Implements	1	Acre	\$3.00	\$3.00	\$480.00
	Interest on Credit Line			6.00%	\$3.79	\$607.02
Total Variable Costs					\$131.88	\$21,101.22
Planned Returns Above Variable Costs:					(\$14.88)	(\$2,381.22)
Breakeven Price to Cover Variable Costs				\$7.33	CWT	
FIXED COSTS		Quantity	Units	\$/Unit	Total	Enterprise Total
Equipment Fixed Costs						
	Pickup/General Use Equipment	1	Acre	\$1.25	\$1.25	\$200.00
	Tractors/Self-Propelled	1	Acre	\$12.00	\$12.00	\$1,920.00
	Implements	1	Acre	\$10.00	\$10.00	\$1,600.00
	Management Fee, Owner/Operator Labor	1	Acre	\$25.00	\$25.00	\$4,000.00
	Cash Rent - Sorghum	1	Acre	\$50.00	\$50.00	\$8,000.00
	Whole Farm Insurance	1	Acre	\$2.00	\$2.00	\$320.00
Total Fixed Costs					\$100.25	\$16,040.00
Total Specified Costs					\$232.13	\$37,141.22
Returns Above Specified Costs					(\$115.13)	(\$18,421.22)
Breakeven Price to Cover Total Costs				\$12.90	CWT	

Example Breakeven Prices			
Example Yield Percent	Example Yield CWT	To Cover Variable Costs	To Cover Total Costs
75%	13.50	\$9.77	\$17.20
90%	16.20	\$8.14	\$14.33
100%	18.00	\$7.33	\$12.90
110%	19.80	\$6.66	\$11.72
125%	22.50	\$5.86	\$10.32

Developed by Jackie Smith, Professor and Extension Economist, Texas A&M AgriLife Extension, 806-746-6101.

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.