

Projections for Planning Purposes Only -- Not to be Used without Updating
2019 Estimated Costs and Returns per Acre
Irrigated Sorghum
South Plains Extension District - 2

Crop Acres		122				Enterprise
REVENUE		Quantity	Units	\$/Unit	Total	Total
Grain Sorghum		55.00	CWT	\$6.50	\$357.50	\$43,615.00
Total Revenue					\$357.50	\$43,615.00
VARIABLE COSTS		Quantity	Units	\$/Unit	Total	Enterprise
Production Costs						Total
Herbicide						
Seed	Herbicide and Apply Sorghum Irrigate	1	Acre	\$21.12	\$21.12	\$2,576.64
	Seed - Sorghum	4.5	Pound	\$2.40	\$10.80	\$1,317.60
Fertilizer						
	Fertilizer (N) - Liquid	40	Pound	\$0.46	\$18.44	\$2,249.38
	Fertilizer (P) - Liquid	44	Pound	\$0.71	\$31.38	\$3,828.65
	Fertilizer (N) - NH3	70	Pound	\$0.30	\$21.34	\$2,603.66
Custom						
	Harvest and Haul - Sorghum	55	CWT	\$0.60	\$33.00	\$4,026.00
	Fertilizer Application - Liquid High	1	Acre	\$4.75	\$4.75	\$579.50
	Fertilizer Application - Liquid Low	1	Acre	\$3.50	\$3.50	\$427.00
	Fertilizer Application - NH3	1	Acre	\$3.50	\$3.50	\$427.00
Miscellaneous						
	Crop Insurance Sorghum - Irrigated	1	Acre	\$29.00	\$29.00	\$3,538.00
Insecticide						
	Insecticide and Apply Sorghum	1	Acre	\$25.00	\$25.00	\$3,050.00
Irrigation						
	Energy Cost	9.00	AcreInch	\$10.00	\$90.00	\$10,980.00
	Irrigation Labor	0.75	Hour	\$12.00	\$9.00	\$1,098.00
Machinery Labor						
	Tractors/Self-Propelled	0.61	Hour	\$12.00	\$7.32	\$893.04
	Other Labor	0.69	Hour	\$12.00	\$8.28	\$1,010.16
Diesel Fuel						
	Tractors/Self-Propelled	3.2	Gallon	\$2.40	\$7.68	\$936.96
Gasoline						
	Pickup/General Use Equipment	1	Acre	\$4.00	\$4.00	\$488.00
Repairs & Maintenance						
	Pickup/General Use Equipment	1	Acre	\$0.50	\$0.50	\$61.00
	Irrigation Equipment	1	Acre	\$15.75	\$15.75	\$1,921.50
	Tractors/Self-Propelled	1	Acre	\$6.00	\$6.00	\$732.00
	Implements	1	Acre	\$3.00	\$3.00	\$366.00
Interest on Credit Line						
				6.00%	\$8.29	\$1,011.87
Total Variable Costs					\$361.66	\$44,121.95
Planned Returns Above Variable Costs:					(\$4.16)	(\$506.95)
Breakeven Price to Cover Variable Costs				\$6.58	CWT	
FIXED COSTS		Quantity	Units	\$/Unit	Total	Enterprise
Equipment Fixed Costs						Total
	Pickup/General Use Equipment	1	Acre	\$1.25	\$1.25	\$152.50
	Irrigation Equipment	1	Acre	\$55.00	\$55.00	\$6,710.00
	Tractors/Self-Propelled	1	Acre	\$12.00	\$12.00	\$1,464.00
	Implements	1	Acre	\$10.00	\$10.00	\$1,220.00
	Management Fee, Owner/Operator Labor	1	Acre	\$30.00	\$30.00	\$3,660.00
	Cash Rent - Sorghum Irrigated	1	Acre	\$100.00	\$100.00	\$12,200.00
	Whole Farm Insurance	1	Acre	\$2.00	\$2.00	\$244.00
Total Fixed Costs					\$210.25	\$25,650.50
Total Specified Costs					\$571.91	\$69,772.45
Returns Above Specified Costs					(\$214.41)	(\$26,157.45)
Breakeven Price to Cover Total Costs				\$10.40	CWT	

Example Breakeven Prices			
Example Yield Percent	Example Yield CWT	To Cover Variable Costs	To Cover Total Costs
75%	41.25	\$8.77	\$13.86
90%	49.50	\$7.31	\$11.55
100%	55.00	\$6.58	\$10.40
110%	60.50	\$5.98	\$9.45
125%	68.75	\$5.26	\$8.32

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.